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EMPLOYMENT IMPACTS ASSOCIATED WITH PROPOSED EMPLOYER HEALTH INSURANCE OPTIONS

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PREFACE

This CONSAD Research Corporation study of the economic impacts of four separate national health care reform proposals was funded by the U.S. Department of Health and Human Services. The four proposals examined in this study were chosen because their provisions span the spectrum of potential solutions to our nation's health care problems that are currently under serious consideration. They provrde a natural framework for comparison among the potential solutions. This work involves the extension of CONSAD's economic impacts model to describe the potential effects of the four proposals on employment, and to identify the demographic and economic characteristics of the individuals whose employment status is potentially affected by the proposed health care reforms.

Information on the current state of health care provision and cost was contributed by Brenda Pflaum and Carole Lyon-Orr of Alexander & Alexanoer Consulting Group, Inc. a national health care benefits consulting firm, and Gus P. Georgiadis, Wanda Young, PhD. and Jim Hugnes of Blue Cross of Western Pennsylvania. We are grateful for therr expert advice.

This report is the result of work performed by Mark A. Doensen, Rozanna Reutzel, Fred Ruecer, PhD., and Wilbur Steger, PhD.

EXECUTIVE SUMMARY

Numerous potential solutions to the weaknesses of the current health care system in the United States have been proposed in recent years. This CONSAD report estimates the effects of four specific national health care reform proposals on employment. The four proposal examined are:

- H.R. 5936 -- The Managed Competition Act of 1992 (the House proposal)
- S. 1227 --HealthAmerica: Affordable Health Care for All Americans Act (the Senate proposal)
- A California Health Care System for the 21st Century (the California proposal)
- The 21st Century American Health System, devised by the Jackson Hole Group (the Jackson Hole Group proposal).

Each proposal contains provisions that will require industry to expand its role in providing and paying for health care insurance for employees. If the resulting labor cost increases are large enough, employers will compensate by changing other components of their employees' compensation and benefits packages or their employment status. This study estimates the numbers of jobs that will, consequently, be affected, and the proportions of those jobs that will be placed at-risk, if each of the four proposed health care systems are implemented. The demographic characteristics of the workers who are employed in potentially impacted jobs are also presented.

The potential impact on jobs that will result from health care reform proposals is only one important issue **relevant to** the health care debate. Other important concerns relating to each of these proposals include the increased numbers of individuals and families with health care insurance, and the potential effect of the proposals on the national budget deficit. These potential consequences are not considered in this study, although they surely must be considered before selecting and implementing any of the proposed systems.

The results of this study indicate that, among the four proposals, the House proposal will have the smallest impact on employment, and the Jackson Hole Group proposal will have the largest impact. The number of employees whose job characteristics are adversely affected by these four proposals range from approximately 15.7 million (almost 20% of the total private sector employment) to 25.8 million (about one-third of the total). The proposals differ even more markedly with respect to jobs severely and adversely affected, ranging from a few **hundred thousand** workers whose jobs will be at-risk under the proposed House proposal to

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more than 20 million workers under the proposal that imposes the largest, least voluntary costs on employers.

The House proposal does not require employers to contribute to the health care premiums of any additional employees; rather, through provisions designed to reduce the price of health care insurance, the proposal is intended to induce employers to voluntarily contribute to the health care insurance coverage of more employees. Thus, although **the** House proposal offers universal access to health care insurance with broad risk pools and reduced premiums, it does not mandate and will not achieve universal coverage.

The Jackson Hole Group proposal, on the other hand, requires the largest contribution by employers for health care insurance coverage for their employees. Under that proposal, employers will be required to pay a specified percentage of the health care premiums of all of their full-time employees, and to pay a tax equal **to** a specified percentage of the wages of **all their** part-time employees.

The Senate proposal is estimated **to** produce the second largest impact on jobs. The Senate proposal is similar to the Jackson Hole Group proposal, except for the inclusion of a substantial tax credit on contributions by small firms for their employees' health care insurance premiums. Since small firms employ approximately 57 percent of all workers, and because a larger-than-average percentage of workers employed by small firms have low incomes, the Senate proposal has less impact on jobs than the Jackson Hole Group proposal.

The California proposal will have the third largest impact on employment. This proposal requires all employers to pay a tax equal **to** a specified percentage of the wages and salaries of all of their full-time employees to finance the provision of health care insurance coverage.

The demographic characteristics of individuals who hold impacted jobs are also described in this report. The demographic characteristics examined are: age, gender, race/ethnicity, marital status, educational level, individual income level, and family income level. The relative impact of the four proposals on individuals within different demographic groups is very similar. In terms of the number of jobs-at-risk in a demographic group as a percentage of the total number of workers in the group, the following groups of workers experience the greatest impacts:

- Workers who are 18 years of age and younger,
- Female workers,
- Black and Hispanic workers,

- Workers who have never married,
- Workers who have, at most, completed high school,
- Workers who make less than $5,000 annually, and
- Workers with total family incomes less than $5,000 annually.

These results demonstrate that the individuals whose jobs will be most impacted by proposed health care reform are the same individuals who are currently uninsured. The individuals who are intended to benefit from increased health care insurance coverage as a result of the proposed health care reforms thus will paradoxically also experience the largest risk of adverse changes in their terms and conditions of employment due to the proposals.

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1.0 INTRODUCTION

The issue of health care reform in the United State attained prominence on the national political agenda during the 1991 Pennsylvania senatorrdl campaign of Harris Wofford and former Attorney General Richard Thornburgh. The election of Senator Wofford has been interpreted in the media and in Washington as a referendum on the paramount importance to the public of the issues of high health care costs, Limited accessibility to health care insurance, restricted access to health care providers, and variable and often poor health care quality.

Individual states have attempted to increase accessibility to health care provision during the 1980s, but with limited success (GAO/HRD-92-90, 1992a). Predictably, health care reform was a major issue of the 1392 presidential campaign. All three major candidates endorsed their own versions of national health care systems intended to address the weaknesses of the current system. President Bill Clinton, in particular, fan for office on a political platform that calls for increased government involvement in the provision of health care insurance and services. His Administration is committed to policy and Legislative actions on the health care reform issue durtnq his first year in office (Marshall and Schram, 1992).

The cost of health care provision has increased more rapidly than inflation in general since the 1980s. Americans currently spend 800 billion dollars per year on health care; this amounts to nearly 14 percent cf gross national product (GNP) (Marshall and

Schram, 1992 ; U.S. GAO, 1991). The Health Care Financing Administration (HCFA) predicts that health care expenditures will increase to 15 percent of GNP by the year 2000.

There are currently 30 to 35 million Americans without any form of heaith care insurance. Almost 15 million of them have at least part-time employment (CONSAD, 1990, 1992a,b). Millions of individuals have health care insurance with limited benefits packages: many are not covered for treatments required for preexisting medical conditions. Many insured workers experience gaps in coverage when they are laid off or change jobs.

Those with the greatest *need* for care are highly likely to be unrnsured because they face the highest insurance premiums. Conversely, insured individuals pay premiums higher than the actuarial value of the health care they receive because their premiums include payments for health *care* provided to individuals with no insurance. This shifting *of* costs from those who cannot pay to those who can may account for as much as 20 to 30 percent of health care insurance premiums (U.S. Department of Health and Human Services, 1992; Zedlewski, 1990: Zedlewski et al., 1992b). Moreover, although Americans spend much more per capita on health care than do citizens of other countries, Americans are not necessarily more healthy.

The focus of this study is the potential impact on jobs, and the demographic description of affected job-holders, that will result from proposed health care systems. The effect of reform on jobs is just one concern relevant to the health care debate. Other important economic and non-economic issues include: the ease of

mplementation of a new system: the number of additional workers and families who will receive insurance: the reduction in total national health care expenditure: and the improvement in the health care status *of* all Americans. The particular importance of job-impact studies derrves from the fact that nearly all health care reform proposals involve employer-funding of insurance. Al though a *reform* proposal may mandate payment for insurance for employees, an employer retains : he option of changing other terms *or* conditions *of* a *worker's* employment to reduce or eliminate the new financial burden resulting from the reform provisions. As a result, a heaich care reform proposal may, paradoxically, adversely affect the employment conditions of the particular groups of workers that it is intended to help with enhanced health care Insurance coverage. Therefore, the potential effects *on* jobs, and *the* demograpnrc characteristics *of* the workers in the affected jobs. must Se analyzed before the overall effect of a health care proposal can ce evaluated,

Numerous healthcare reform proposals have been advocated in Congress and in the private sector during the past several years as means for improving the availability, affordability, and quality of health care provision in the United States. Four prominent proposals are analyzed In this report rith regard to their potential effects cn private sector employment. The proposals considered are:

- H.R. 5936 - The Managed Competition Act of 1992
- s. 1227 - HealthAmerica: Affordable Health Care for All Americans Act

- A California Health Care System for the 21st Century
- The 21st Century American Health System, devised by the Jackson Hole Group

Detailed descriptions of these four proposals are presented in Chapter 2.0. The research methodology used to analyze their potential effects on employment is then explained in Chapter 3.0. Results from the analysis are summarized and interpreted in Chapter 4.0. Conclusions indicated by the research and opportunities for future study are discussed in Chapter 5.0. Detailed tabulations of results from the analysis are presented in the Appendices.

2.0 HEALTH CARE REFORM PROPOSALS

The four health care reform proposals analyzed in this report are representative of the many health *care* reform initiatives currently under consrcieration. They include:

- **H.R. 5936** - The **Managed Competition Act of 1992**
- **s. 1227 - HealthAmerica: Affordable Health Care** for **All Americans** Act
- A **California** Health Care System **for** the **21st Century**
- **The 21st** Century American **Health System, devised** by the **Jackson Hole Croup**

The major *features and* provisions **that** are common to all **four** proposals **are** discussed **first, in Section 2.1. Then,** in **Sections** 2.2 through 2.5, the individual plans are reviewed with regard to their effects on employers, employees, the **self-employed,** and the unemployed. The sections include summary tables designed to facilitate comparison *of* the pertinent **provisions of** the different **proposals. In addition,** a description of the administrative structure, including the major administrative bodies and their roles in improving the health **care system,** is provided for **each** proposal.

2.1 Common Features of the Health Care Reform **Proposals**

The **health care** *reform* proposals examined in this **report** share **several common** feaiuces. The individual **proposals** contain, at a minimum, **five specific initiatives** intended to address deficiencies in the **current health** care system. They are:

- **Improved** accessibility to health **care** insurance,

- Equitable financing,
- Expanded information gathering, analysis, and sharing,
- Cost containment, and
- Streamlined administration.

Each proposal mandates that basic health care plans will be made available to all employed and unemployed individuals. The plans will be managed by partnerships of health care insurers and providers; the partnerships may include both private and public entities. The plans typically will cover limited sets of services and procedures that have been determined to be medically effective. In some proposals, the plans will allow for preventive services. Most proposals also permit individuals to upgrade their plans to include additional services at additional cost.

In each proposal, employers with more than a specified number of employees are required to provide basic plans to employees who work more than a specified portion of the time. Employers also are commonly required to pay some or all of the associated costs. Unemployed persons and employees without employer-subsidized insurance may purchase basic health care plans through insurance funds or pools operated by their state governments. Such pooling will enable the insurer/provider partnerships to achieve economies of scale in marketing their basic health care plans. As a result, the costs of furnishing the plans through the pools will be less than the costs of marketing them directly to individuals and small groups. In addition, pooling will allow individuals to obtain comparable information about alternative plans conveniently. This enhanced information, in combination with the reduced costs, will

make health care insurance more accessible and affordable to all who participate in the pools. Accessibility is also promoted in all proposals by prohibiting discrimination On the basis of preexisting conditions, *and* by providing for annual open enrollment in all basic health care plans.

Equitable financing of health care costs will be advanced in the various proposals primarily by severely restricting the use of experience rating (the setting of premium rates on the basis of previously experienced health care costs). The proposals only allow experience rating based on geographic location and, to a limited degree, age. in addition, for individuals and families with low incomes, equitable financing will be achieved with federal government subsidies of health care insurance premiums.

Expanded information gathering will be accomplished by requiring health care insurers and providers to systematically record and compile data on medical diagnoses, treatments provided and procedures performed, outcomes, costs. and patient satisfaction. The information collected by the numerous insurers and provrders will then ce accumulated into an ample data base for analyzing the efficacies and costs of different treatments and procedures attempted to alleviate specific ailments. The results from such analyses can then be used to determine therapies that should be added to or removed from the standard set of basic health care benefits, or to identify providers who are performing especially effectively or ineffectively. The evaluation of historical health care information is important for deciding appropriate health care plan coverage and price, The results from

the analyses can then be shared with insurers, providers; consumers, and administrators, thereby facilitating improved decision making throughout the health care system.

The improved decision making should contribute directly to enhanced cost containment. Moreover, the proposals all contain several provisions focused directly on cost containment. Most notably, these provisions include: the inclusion of a restricted set of medically effective treatments and procedures in the basic health care plans: the establishment of specific cost incentives such as copayments and deductibles to discourage inessential tests and therapies; and the creation of administrative bodies to oversee the use of medical *procedures, facilities,* and technologies.

The creation of new administrative bodies is the most obvious initiative in the health care reform proposals intended to streamline health care administration. Other prominent initiatives include: the standardization of claim forms, the electronic transmission of data, and the investigation of reforms to malpractice procedures that might greatly reduce the amount of expensive litigation.

The specific features and initiatives contained in the four health care reform proposals analyzed in this report are described in greater detail in the following four sections of this chapter.

2.2 H.R. 5936 - The Managed Competition Act of 1992

The Managed Competition Act of 1992 was introduced to the House of Representatives by Rep. Cooper of Tennessee during the 2nd

session of the 102nd Congress. It was developed by the Task Force on Health Reform of the Conservative Democratic Forum, with assistance front the Mainstream Democratic Forum. These two groups drew heavily from the work of the Jackson Hole Group, and from the "Patients First" report of American Healthcare Systems, a not-for-profit hospital chain (Conservative Democratic Forum, 1992).

The proposal has been characterized by the media as the first health care reform proposal embodying managed competition that has reached Congress. Variations of the managed competition approach to health care reform nave been endorsed by the New York Times; Fortune magazine; scholars at the Brookings Institution, the Progressive Policy Institute, and the American Enterprise Institute; and health policy leaders such as California's Insurance Commissioner John Garamendi. The stated intent of the House proposal is to allow competition to drive the health care market, with the federal government providing incentives to health care providers to maintain universally accessible, high-quality care and medical innovation at reasonable cost.

The authors of the House proposal contend that their reformed health care system will be self-supporting and will not contribute to the federal deficit. The Federal funding for health care provided to individuals currently without health insurance will derive from three sources: (1) additional income tax revenues obtained by reducing the tax deduction available to employers and individuals for health insurance contributions, (2) channeling the funds currently used for the Medicaid program into a new direction,

and (3) elevating the income limit for mandatory contributions to Medicare to a level above $130,200.

The provisions of the House proposal that are pertinent to the analysis described in this report are summarized in Table 2.1.

2.2.1 Improved Accessibility to Health Care Insurance

The House proposal seeks to increase access to basic health care insurance by making premiums more affordable. This will be accomplished by establishing group rates, introducing federal subsidization, and allowing employers and employees to deduct 100 percent of their expenses for government-approved basic health care plans from their taxable incomes. Only contributions for approved health care plans will be deductible. Therefore, health care insurers and providers will be encouraged by market forces to form Accountable Health Plans (AHPs), which will be standardized versions of Health Maintenance Organizations (HMOs) and Preferred Provider Organizations (PPOs). Large employers will contract directly with AHPs to provide health care to their employees. Employees of small firms (i.e., firms with less than 1,000 employees), the self-employed, and the unemployed will have access to AHP coverage through newly created Health Plan Purchasing Cooperatives (HPPCs). HPPCs will be not-for-profit corporations established for the coordinated provision of health care insurance. They will be state-chartered organizations: more than one HPPC may be designated per state. An independent National Health Board (NHB) will be created with the responsibility for regulating the AHPs and HPPCs. The NHB will be responsible for ensuring that

Table 2.1 H.R. 5936 - The Managed Competition Act of 1992

Health Care Provision	Group Affected by Provision			
	Large Employer (>1,000 employees)	Small Employer (≤ 1,000 employees)	Employee	Self-employed and Unemployed
Enrollment Options	Must offer direct enrollment in AHP to all employees	Must offer enrollment in AHPs to all employees through HPPC	May enroll in AHP, directly or through HPPC, depending on size of employer	May enroll in AHP through HPPC
Benefit Plans	UEHB plan coverage with upgrade option			
Type of Enrollment	Individual, individual and spouse, individual and child, individual and eligible family members			
Cost Sharing	- May pay 0-100% of UEHB premium - Must pay 34% tax on contributions in excess of lowest cost UEHB plan in geographic area - Risk adjusted premiums paid to AHP		- Must pay portion of premium not covered by employer if enrolling - Must pay 34% tax on contributions in excess of UEHB plan cost - Risk adjusted premiums paid to AHP	- Must pay entire premium if enrolling - Must pay 34% tax on contributions in excess of UEHB plan cost - Risk adjusted premiums paid to AHP
Tax Benefit	100% tax deduction on contributions up to lowest cost UEHB plan in geographic area			
Coverage Requirements	- Annual open enrollment - No discrimination for pre-existing conditions - No experience rating			
Premium Assistance	None		For individuals with family AGI <120% of State poverty line	
Copayment Assistance	None		For individuals with family AGI <200% of State poverty line	

AHP - Approved Health Plan
HPPC - Health Plan Purchasing Cooperative
UEHB - Uniform Effective Health Benefits
AGI - Adjusted Gross Income

access to health care is being provided to all individuals at a fair price. Some of the responsibilities of the NHB will include:

- Setting and revising the standard package of basic health care benefits:
- Instituting standards for the reporting of prices, costs, health outcomes, and measures of consumer satisfaction by health care insurers and providers:
- Determining risk factors for adjusting the premiums paid to AHPs on the basis of the risk characteristics of their policy holders: and
- Providing information on the quality of AHPs to current and prospective policy holders.

The recommendations made by the NHB on the standard package of basic health care benefits will be submitted to Congress for approval. Funding of the NHB will derive from an annual fee levied on AHP policy holders.

All Americans will obtain health care insurance and delivery through AHPs. Each AHP will be obligated to offer a standard health care plan providing a uniform set of federally-defined health benefits. The health benefits will include all legally authorized treatments for any health condition that have been shown to reasonably improve or substantially ameliorate the condition. Such treatments shall include the full range of effective clinical preventive services (including appropriate screening, counseling, and immunization and chemoprophylaxis -- prevention of infectious disease by the use of chemical agents) that have been specified by the NHB as appropriate to the patient's age and other risk factors. Individuals will be allowed to upgrade this standard package of basic health care benefits to include other services. The cost of

upgrading will be borne solely by the individual or employer, and will not be tax deductible.

AHPs must comply with the following directives:

- Offer open enrollment with no discrimination based on preexisting conditions:
- Exclude experience ratings and risk factors when establishing individual premium rates;
- Adjust premium rates on the basis of geographic location and age:
- Require copayments for all health care services except preventive care: and
- Contract for costly high-technology or specialized services.

Large employers (i.e., firms with more than 10,000 employees) may create their own AHPs. An employer-operated AHP must provide coverage to all of the firm's employees and must abide by the rules established for independent AHPs, with the exception of the requirement of open enrollment.

It is expected that most employers will provide health care insurance for their employees by contracting with independent AHPs. A second option is provided to small firms, the self-employed, and the unemployed. Members of these groups can join the HPPCs established for their geographic areas. States will also have the option of allowing employers with up to 10,000 employees to join HPPCs. The HPPCs must comply with the following requirements:

- Offer each enrollee a menu of AHPs and provide information about each plan, including its price, quality, and consumer satisfaction;
- Collect payments from individuals and from employees of small businesses and forward them to the AHPs:

- Adjust the premiums paid to each AHP in accord with the risk factors of the individuals enrolled with that AHP;
- Levy an administrative charge on each individual: and
- Eliminate the burden of Consolidated Omnibus Budget Reconciliation Act (COBRA) administration for employers by allowing individuals to remain in their HPPC after losing their fobs.

It is anticipated that the HPPCs will reduce the costs of health care insurance by pooling the marketing of AHPs to small firms and individuals.

2.2.2 Equitable financing

Employers may choose to pay any portion (i.e., from 0 to 100 percent) of the AHP prices for their employees. Each employee must pay the portion of the AHP price that is not paid by the employer. The employees are responsible for paying their copayments and deductibles. However, no copayments or deductibles are required for preventive services. Employers refusing to offer AHPs to their employees will be subject to a civil penalty of not more than $500 per day for each day that the violation continues, plus attorneys' fees.

All employers and individuals will be allowed to deduct their payments for AHPs from their federal taxable income, up to the limit of 100 percent of the price of the lowest cost AHP offered by the HPPC for their geographical area. The additional costs of health care plans that have been upgraded from the basic health care plan must be paid by the employers and individuals themselves; the additional costs will also be taxed by the federal government at a rate of 34 percent. Contributions to non-approved health care plans are not tax deductible.

The federal government will subsidize the AHP prices and copayments of individuals wno meet certain criteria. The limits on income and the corresponding subsidy value8 ate:

- For individuals and families with incomes below 120 percent of the designated poverty level, the entire AHP price will be paid by the federal government;
- For individuals and families with incomes between 120 and 200 percent of the designated poverty level, the portion of the AHP price that is not paid by their employers will be paid by the f edcral government: and
- For individuals and families with incomes below 200 percent of the designated poverty level, all copayments will be paid by the federal government.

Low-income individuals and families will have access to health care from AHPs either directly or through the regional HPPC. Their subsidies will be funded with money released through a repeal Of the Medicaid program. The stated intent of the House proposal is to relinquish responsibility for long-term health care to the states, thereby encoutaqing the development of innovative approaches.

2.2.3 Expanded Information Gathering, Analysis. and Sharrnq

AHPs will be responsible for the continual collection of data concerning all medical procedures they perform, the outcomes of the procedures (e..g, patients who died, experienced complications, had successful recoveries), their costs, and the patients' satisfaction. This information will be transmitted to the NHB for distribution to current and prospective policy holders to aid in their selection or appropriate AHPs and treatments. It is anticipated that the information on the outcomes of procedures will also be helpful to health care providers in tracking successful

treatments across the nation, thereby reducing the need for defensive medical practices.

2.2.4 Cost Containment

The sharing of information between health care insurers, providers and consumers will promote *coat* control by identifying cost-effective health care treatments. The NHB will encourage the use of these cost-eifectiva treatments by including them in the standard packages *of* approved basic health *care* benefits, and excluding other more expensive or less reliable procedures.

The increased use of preventive care will also *contribute* to cost containment. The House proposal provides increased funding for a variety of existing prcvcncive programs such as immunization, lead poisoning preventton, breast and cervical cancer screening, and early AIDS intervention. It is anticipated that health improvements achieved throuqh preventive care will reduce the total cost of health care.

2.2.5 Streamlined Administration

The authors of the House proposal assert that the creation of the NHB, AHPs, and HPPCs will streamline administration of the health care system. The major components of this streamlining include:

- Monitoring of the industry by a single organization, the NHB;
- Developing uniform standards for claim forms and electronic transmission of data in accord with federal goals; and
- Reducing the amount of expensive litigation through major reforms in malpractice procedures.

The last goal will be achieved by offering grants to states for the development of alternative dispute resolution procedures to attain a more efficient, expeditious, and equitable resolution of health care malpractice disputes. These grants would be made for two-year periods. The amount of funds provided to a State under a grant may not exceed $5 million during the 2-year term of the grant. Standards and regulations for the alternative dispute resolution program would be provrded by the Secretary of the Department of Health and Human Services in consultation with the Director Of the Agency of Health Care Policy and Research.

2.3 S. 1227 - HealthAmerica: Affordable Health Care for All Americans Act

The HealthAmerica: Affordable Health Care for All Americans Act was introduced to the Senate by Sen. Mitchell of Maine during the 1st Session of the 102nd Congress. Hereaf ter in this report, S. 1227 will be referred to as the Senate proposal.

The Senate proposal is comprised of initiatives *to* reform the current health care system through a series of "play or pay" mecnanisms. The intent of the proposal is to compel employers either to provide health care insurance to each of their employees (play) or to be subject to a payroll tax if they choose not to provide insurance (pay). Variations of this approach to health care reform have been put forward in other proposals sponsored by the Pepper Commission, by the National Leadership Coalition for Health Care Reform, and by Chairman Dan Rostenkowski of the House ays and Means Commrttee in the bill H.R. 3205. The stated intent

of the Senate proposal is to preserve and extend the U.S. system of employer-provided health care insurance (Joint Economic Committee, 1992).

The Senate proposal will require new revenues to fund the direct and indirect subsidies required to Operate thereformed system. The proposal provides for the transfer of Medicaid monies into the system to provide some of the funding. However, the proposal also anttctpates increasing taxes to provide the balance of the subsidies (Zedlewski et al., 1992).

The provrsions ofthe Senate proposal that are pertinent to the analysis described in this report arc summarized in Table 2.2.

2.3.1 Improved Accessibility to Health Care Insurance

The Senate proposal capitalizes on the fact that most uninsured Americans have some involvement in the work force. According to a GAO report, three-fourths of all uninsured Americans are workers or their dependents (GAO/HRD-92-125, 1992b). Therefore, the basic premise of the proposal is that requiring employers to provide access to basic health care insurance for their employees will result in a large number of currently uninsured persons obtaining coverage. Employers will be required to contribute an established amount for each employee that depends on the employee's employment status (full-time, less than full-time, part-time). A public health care program, AmeriCare, will provide access to basic health care benefits for unemployed persons.

Table 2.2. S. 1227--HealthAmerica: Affordable Health Care for All Americans Act

Health Care Provision	Group Affected by Provision			
	Large Employer (>1,000 employees)	Small Employer (1-1,000 employees)	Employee	Self-employed and Unemployed
Enrollment Options	Must offer enrollment in MCP, NMCP, or AmeriCare to all employees			
Benefit Plans	Basic benefits plan coverage with upgrade option			
Type of Enrollment	Individual, individual and spouse, individual and children, married couple and children			
Cost Sharing	- Must pay remainder of premiums due after employees' contributions to MCP or NMCP - Employers not providing benefits must contribute as yet-undetermined percentage of wages		- Full-time employees pay 20% of basic benefits plan premium - Less-than-full-time employees pay reduced premium prorated by number of hours at work - Part-time employees pay 50% of basic benefits plan premium - Limits on yearly out-of-pocket expenses	- Must pay entire basic benefits plan premium to enroll - Limits on yearly out-of-pocket expenses
Tax Benefit	100% tax deduction on contributions to MCP or Americare basic benefits plan only			
Coverage Requirements	- Annual open enrollment - Six month limit on exclusion for pre-existing conditions - No experience rating			
Premium Assistance	None		For individuals with family AGI <400% of State poverty line	
Copayment Assistance	None		For individual with family AGI <200% of State poverty line	

MCP = Managed Care Plan
NMCP = Non-Managed Care Plan
AGI = Adjusted Gross Income

Employers who play will be required to offer employees • CC88S to basic health care insurance either through a Managed Care Plan (MCP) or a Non-Hanaged Care Plan (NMCP). MCPs are similar to the current Health Maintenance Organizations (HMOs). An NMCP most closely resembles the coverage provided by an insurer such a8 AETNA.

Employers who do not directly provide health care insurance to their employees will be required to pay a payroll tar. Employees whose employers choose to pay the payroll tax will join Americare, the public health care plan to be offered by the federal government through the states. AmeriCare will be obligated to provide insurance to all eligible individuals regardleas of their health or risk factors.

The unemployed and the self-employed will have the option of joining MCPs, NMCPs, or AmeriCare.

A new independent agency, the Federal Health Expenditure Board (FHEB), will be established in the executive branch to monitor employers, MCPs, NMCPs and AmeriCare. Members of the FHEB will be chosen from representatives of health care providers, health care purchasers, and the general public. The FHEB will report to the Secretary of Health and Human Services. The official duties Of the FHEB will be to:

- Develop national health care expenditure, access and quality goals:
- Convene and oversee negotiations between health care providers and purchasers to develop payment rates:
- Establish uniform billing and claim format

- Establish mandatory requirements to: (1) measure the success in meeting goals, (2) analyze data acquired from providers to assist purchasers and consumers in evaluating the quality and cost of care offered by different providers, and (3) reduce the administrative expense of the health care system; and

- Conduct studies, issue reports, and gather and disseminate data which would contribute to the objective of providing access to high-quality, affordable health care:

Basic health care plans offered by MCPs and AmeriCare must comply with the following conditions relating to individual access to health care insurance:

- Open enrollment:
- No discrimination based on preexisting conditions:
- No experience rating of premiums; and
- An annual limit on out-of-pocket expenses of $3,000, adjusted for inflation.

The package of basic health care benefits that is offered by the various plans must include:

- Inpatient and outpatient hospital care, with special limitations on treatment for a mental disorder:
- Inpatient and outpatient physician services, with special limitations on psychotherapy or counseling for a mental disorder;
- Diagnostic tests:
- Prenatal care and well-baby care provided to children one year of age or younger:
- Preventive services, limited to well-child care, pap smears and mammograms:
- Inpatient hospital care for a mental disorder for not less than 45 days per year: and
- Outpatient psychotherapy and counseling for a mental disorder for not less than 20 visits per year.

Items. and service8 that are not contained in the basic benefits include: routine physical examinations, preventive care not specified above, experimental services and procedures, and medically unnecessary treatments. Individuals are allowed to upgrade their basic coverage by payinq for the additional cost of the *upgraded* coverage. However, the additional cost is not tax deductible.

Employers who choose not to provide health *care* insurance to their employees will be subject to a civil penalty.

2.3.2 Equitable Financing

All individuals will be permitted to deduct from the federal taxable income 100 percent of their payments for basic health care insurance offered by AmeriCare *or* by MCPs for their geographic areas. No tax deductions will be allowed for any payments to NMCPs. Employers who elect not to provide private health care insurance will be required to contribute to AmeriCare a designated pcrcentaqe of the total waqes paid to their employees. Large firms will be required to pay a higher pcrcentaqe *of* wages than will small firms. The applicable percentage will be established annually by the Secretary of Health and Human Services at the Lowest level consistent with maintaininq a fair balance between public and private provision of health care insurance.

Employees with insurance from MCPs or NMCPs will pay premiums that depend on their employment status. Full-time employees will pay 20 percent of the monthly actuarial rate for their plans. The amount paid by a less than full-time employee will be calculated by multiplying 20 percent of the actuarial rate by the average number

of hours worked during a week and then dividing by 25. Part-time employees will pay SO percent of the actuarial rate for the plans that the choose. The actuarial rate is defined as the average monthly amount per enrollee that the *insurer or* the state estimates the plan will cost. The rate includes administrative costs for the provision of health care benefits, and an appropriate amount for a contingency margin and for non-payments. The employer is responsible for paying the difference between the total premium for the employee's chosen plan and the employee's contribution.

All other individuals will pay the monthly actuarial rates for the plans they select and for their types of enrollment (i.e., individual or family).

The copayment for an individual will be limited to 20 percent of the cost of the service or item provided, and may not exceed the annual limit on expenses. The limit on out-of-pocket expenses will be either: (1) $3,000: (2) the amount computed on the basis of the amount claimed during the previous calendar year, increased by the change in the CPI; or (3) LO percent of the total wages paid *to the* employee on an annuaiised basis. The standard deductible allowed will be $250 for *an* individual and $500 for a family.

The federal government will subsidize MCPs and AmeriCare for those employees who are determined to be financially eligible. AmeriCare will provrde basic health care benefits, subject to specified cost-sharrnq provisions, to any individual who is not covered by health care insurance, to any employee or family member with respect to whom an employer makes a contribution, and to any child or pregnant woman who is not otherwise covered under a

nongovernmental health insurance policy, plan, or program. The amount of subsidization will depend on the individual and family incomes, and is specified in the bill.

2.3.3 Expanded Information Gathering, Analysis and Sharing

Tha responsibility for sharing information between health care providers, employers, and consumers will rest solely with the FHEB. The FHEB is also responsible for sharing information between the Secretary of Health and Human Services, Congress, and the President. The FHEB must also monitor and recommend changes to the proposed health care system.

2.3.4 Cost Containment

Cost containment will be achieved through oversight performed by a combination cf the FHEB, the Secretary of Health and Human Services, Congress, the President and the general public. All will participate in providing oversight by sharing information through the FREE.

To control costs, the FHEB will develop national health care expenditure goals for the United States. Such goals will contain separate expenditure guidelines for:

- Hospital services:
- Physician services:
- Laboratory services:
- Pharmaceutical products:
- Durable medical equipment; and
- Such other health services or sectors, including subdivisions of the sectors described above but excluding long-term care services, as the FHEB determines appropriate.

2.3.5 Streamlined Administration

The FHEB, MCPs, and AmeriCare will streamline health care administration and provide a system of open access to health care information. The authors of the Senate proposal believe that their reformed system will be able to adapt quickly to changes in the economy, and will provide a system of checks and balances that its sponsors believe will maintain affordable health care prices.

The Senate Bill perceives a need to reshape the way malpractice litigation is handled throughout the states. Therefore, the proposal allows for the federal government to award grants to states for the development and implementation of programs for medical malpractice reforms. These programs may include efforts to develop alternative methods for resolving liability disputes that protect the interests of all parties involved.

Further, the Secretary shall enter into a contract with the Institute of Medicine, or with a similar entity, to collect and analyze data and issues pertaining to new developments in medicine. Experts will be consulted to establish medical guidelines regarding the best treatments for certain medical conditions. The sponsors of the proposal anticipate that this will aid in reducing the number of defensive medicine procedures and reducing the number of malpractice lawsuits.

2.4 A California Health Care System for the 21st Century

The principal sponsor of the California Health Care System for the 21st Century is John Garamendi, Insurance commissioner of the

State of California. Hercaf *tar* in this report, this proposed health care reform will be referred to as the California proposal.

The California proposal has been labeled by the media • - a modified managed *competition* plan; *it* allow8 for some competition among providers, while maintaining regulatory policies that ensure equity throughout the system. The proposal evolved from ongoing discussions with the California's Insurance Commissioner's Health Care Advisory Committee and a panel of health care experts.

The Calffornra proposal recommends the adoption of a single, uniform system for delivering health care to all state residents. The proposal will consolidate health *care* insurance, workers' compensation insurance, and the personal injury component of motor vehicle insurance into one comprehensive health care insurance program, thereby provrding individuals with the same protection • nd services regardless of when, *where, or why* an injury or illness occurred. The analysis in thfs report extends the concepts contained in the California proposal to a national health care system.

The provrsions of the California proposal that are pertinent to the analysis described in this report are summarized in Table 2.3.

2.4.1 Improved Accessibility to Health Care Insurance

Access to basic health care for all individuals will be publicly guaranteed, but the delivery of care will be performed by Private providers. Employers and individuals may choose among private insurers to obtain the best health care insurance

Table 2.3. A California Health Care System for the 21st Century

Health Care Provision	Group Affected By Provision				
	Large Employer (> 100 employees)	Small Employer (1-100 employees)	Employee	Self-Employed	Unemployed
Enrollment Options	Must offer enrollment in HIPC to all		Must enroll in HIPC	Must enroll in HIPC	May enroll in HIPC
Benefit Plans	GBB plan coverage with upgrade option				
Type of Enrollment	Individual, Individual and family				
Cost Sharing	7.65% payroll tax, with first $110,000 of total payroll exempt from tax and ceiling of $150,000 on individual employee's taxable wages		of 1.45% wage tax with first $5,000 exempt from tax and ceiling of $150,000 on taxable wages - Copayment required except for preventive care services - No deductible	Must pay employee portion of wage tax - Copayment required for preventive care services - No deductible	Must pay 50% of GBB plan premium to HIPC if enrolling Copayment required for preventive care services - No deductible
Tax Benefit	None	25% of health care costs are tax	None		
Coverage Requirements	- Annual open enrollment - No discrimination for pre-existing conditions - No experience rating				
Premium Assistance	None		Individuals with family AGI <200% of State poverty limit contribute nothing		
Copayment Assistance	None		For individuals with family AGI <200% of State poverty limit		

HIPC = Health Insurance Purchasing Cooperative
AGI = Adjusted Gross Income
GBB = Guaranteed Basic Benefits

available. The private insurers will be monitored by Health Insurance Purchasing Corporation8 (HIPCs), private/public partnerships of government, employers and consumers. The regulatory role of the HIPCs will be to ensure that all plans deliver high-quali ty care, to inform individuals about the available plans, and to administer the health care system. On8 KIPC will be created in each state and it will receive direction from the State Health Commission. The HIPCs will establish the rules under which the privateinsurers may compete on a fair basis with regard to price and quaiity.

The California proposal will finance health care insurance throuqn a combination of taxes and other payments *from* employers, employees. and individuals. The HIPCs will collect funds from employers and employees to guarantee a prcdaffned package of health care benefits to all individuals within the state. The guaranteed package of benefits will include:

- Inpatient care:
- Primary care:
- Prescription drugs:
- Preventive care; and
- Medically necessary care.

The package will be similar to coverage now being provided by Health Maintenance Organizations (HMOs) . Each individual may purchase additional health care benefits in excess of those in the guaranteed basic benefits package; however, the additional benefits will not be exempt from income taxes.

Insurers must provide open enrollment and may not discriminate on the basis of preexisting conditions. *Further,* private insurers will be mandated by the HIPC to accept a predefined percentage of low-income consumers from their service areas.

2.4.2 Equitable financing

The *proposal* will be financed through a combination of employer and employee contributions. Employers will be required to pay a flat percentage tax on payroll of 7.65 percent. The first $10,000 *of* an employer's total payroll will be exempt from taxation, and the ceiling on taxable wages for individuals will be set at $150,000. With this tax structure, it is estimated that firms with fewer than 10 employees will pay an *effective* payroll tax rate of 5.8 percent: and employers with fewer than S employees would pay an effective payroll tax rate of 5.2 percent. Further assistance to small businesses will be provided through a 25 percent tax credit on their contributions for their employees' health care insurance.

Employees will pay a 1.4 percent tax on the totaf wages and salaries that they earn, with the first $5,000 in waqes and all wages and salaries in excess of $150,000 exempted from the tax. Self-employed individuals will be responsible for paying both the employer's and the employee's portions of the tax on wages. To provide an incentive Ear maintaining a safe workplace, the California proposal will allow the contributions by employers to be adjusted based on the incidence of workplace injuries.

The estimated copayment will vary according to the service received (e.g. physician visit, $10; lab and radiology service, $3;

outpatient drugs, $10 par prescription; emergency room visit, $25 if not admitted to hospital; and outpatient mentalhealthservices, $15 per visit). The proposal envisions the State Health Commission deciding on the appropriate copayment amount for all individuals and health care services; however no copayments will be allowed for preventive care services. Tha proposal does not allow any doducttbles.

All tax collection will be administered by the HIPCs; tax receipts will be pard to the health care insurers chosen by the employers. The payments from the HIPC to the health care insurers will be adjusted accordingto the risk characteristics (e.g., age, gender, family status, and possibly health status as effective methods for such adjustments are developed) of those enrolled with the provrder. Providers that have more older men will thus be paid a higher than average premium rate, reducing incentives CO? insurers to avoid individuals who are likely to require more services. The risk adjustment factor will encourage insurers to provide coverageto individuals with unfavorable health risks, such as persons with AIDS or cancer. Employers and employees will be eligible to receive discounts on their premiums if they agree to participate in health promotion activities such as smoking cessation programs.

Families with incomes below 200 percent of the designated State poverty Limit will not be responsible for paying any premium or copayments. As proposed, each health care plan will be required to accept a pre-defined percentage of low-income consumers at no additional charge: the number that must be accepted will be

dependent on the area served. This will insure that low-income families have equitable access to all health care plans.

Other unemployed individuais and families who have incomes equal to 200 percent or more of the designated poverty limit, will Se responsible for paying no more than SO percent of the HIPC payment for any individual health care plan in their service area.

2.4.3 Expanded Information Gothcrinq, Analysis, and Sharing

Heal th care information will be shared directly between providers and consumers through the HIPCs. The HIPCs will collect uniform data from health care insurers and providers and will sponsor research into health outcomes and practice guidelines. They will develop mechanisms for monitoring the quality of care furnished by health care providers on an ongoing basis. Pamphlets will be prepared outlining, for instance, health care insurance prices, service areas, delivery systemdescriptions, and complaints about delivery of health care services.

2.4.4 Cost Containment

The California proposal will consolidate health care insurance, workers' compensation insurance, and the personal injury component of motor vehicle insurance into one comprehensive insurance system. It is believed that consolidating the three insurance plans will realize substantial savings in the areas of lawsuits, administrative expense, and health care delivery costs. Managed care mechanisms utilized in the current health care system can be applied to the health components of workers' compensation and motor vehicle Insurance, thus reducing the amount of fraud.

The proposed health care system will incorporate uniform billing and delivery of information. Since a HIPC will be billed by the insurer, consumers will never fill out claim forms or process bills.

Administrative efficiencies in the proposal should lead to the elimination of insurance brokers, raductfon in health care benefits administration, and lower billing expenses for doctors and hospitals. Further, cost savings may derive from the price negotiations that will *occur* between insurers and providers. A decline in ineffective medical *practices* and in defensive medicine practices that will result from increased information sharing will provide additional savings.

Finally, the California proposal advocates consolidating Medicaid into the health care system. The resulting universal coverage is expected to generate substantial savings in County health systems and in existing state health programs.

2.4.5 Streamlined Administration

The California proposal recommends the development of a single, unified system of health care that efficiently delivers benefits to all of its members. All administrative duties will be accomplished through the HIPC and the state Health Commissions. It is expected that this method of streamlining health care administration will:

- Improve consumers' ability to make rational health planning decisions:
- Eliminate the administrative burden for employers:
- Increase the number of patients for direct service providers:

- Provide more access to consumers for delivery systems (HMOs and insurers); and
- Decrease the need for dcfcncivc medicine procedures by providing direction to health care insurers and provider8 on which care is inappropriate and *therefore* not insured under the basic health care benefits package.

2.5 The 21st Century American Health System (devised by the Jackson Hole Group)

The Jackson Hole Group proposal is the product of an informal study group of experts that meets annually in Jackson Hole, Wyoming to discuss health care issues. The group includes Alain Enthoven, Paui Ellwood, Lynn Etheredge and others. The proposed plan is described as a true managed competition plan. The competitive market structure created by the proposal, will be regulated by government management of private health care insurers and providers. The reformed system will combine the professional and cultural values of a private system working in concert with governmental efforts to assure public accountability, universal coverage, and cost containment.

All Americans will Se guaranteed access to health care insurance plans that include a standard package of uniform, effective health benefits (UEHBs) determined by newly created national standards boards. The Jackson Hole Group proposal does not explicitly specify the content of the standard benefits package. Some employers will provide employees with health care insurance by contracting directly with entities that combine health care insurers and providers into Accountable Health Partnerships (AHPs). Individuals who ace not provided with health Care

insurance by their employers will be eligible to obtain coverage through a Health Insurance Purchasing Cooperative (HIPC), a collective purchasing agent. There will be one or more HIPCs in every state. A total of three national health care oversight boards will be created by the proposal: the Outcomes Management Standards Board, the Health Standards Board, and the Health Insurance Standards Board. The duties of these boards will be to assure uniform definitions and standards of health care insurance and provision, to improve clinical effectiveness information, and to establish rules necessary to allow market forces to work most efficiently. The boards will be sponsored by consumers, insurers, providers, and industry, and will have the following specific dutres:

- The Outcomes Management Standards Board (OMSB) will be responsible for establishing the operating framework for AHPs, including standards for the content and format of data used in accounting publicly and internally for the results of medical care:
- The Health Standards Board (HealSB) will be responsible for technology assessment and benefit plan design, which will include accumulating data on treatments germane to costs and risks; and
- The Health Insurance Standards Board (HISB) will be responsrble for establishing underwritfnq practices, and ensuring that competition takes place on the basis of cost, quality, and patient satisfaction.

These boards would be overseen by the National Health Board (NHB). The NHB will receive recommendations from the other three boards for review and application. The NHB will be responsible

- Enlisting and overseeing AHPs and HIPCs;
- Determining a list of UEHBs, the standard package of basic health care benefits that will be offered by all AHPs;

- Setting the pace for transition from the present system to the reformed health care system;
- Proposing new standards and procedures where necessary; and
- Guiding the system as it evolves.

The subsidization of low income indfviduais will be financed through a combination of: (1) additional revenues obtained from existing federal and state income and payroll tares by establishing a limit on the deductibility of employers' payments for employees' health care insurance, (2) new taxes on employers' payrolls and employees' adjusted gross incomes, and (3) state revenues previously devoted to care for the uninsured.

The provisions of the Jackson Hole Group proposal that are pertinent to the analysis desctrbed in this report are summarized in Table 2.4.

2.5.1 Improved Accessibility to Health Care Insurance

Employers will contract directly with AHPs to provide health care insurance to their employees. The Jackson Hole Group proposal pronibits AHPs from applying discriminatory risk selection and underwriting practices when enrolling individuals.

Employees of small busrnesses (i.e., firms with less than 100 employees), the self-employed, and unemployed individuals will obtain health care insurance through the HIPCs. The HIPCs will be voluntary, non-profit membership corporations with governing boards of people elected by participating employers and the self-employed. Small business associations, chambers of commerce, the National

Health Care Provision	Group Affected by Provision			
	Large Employer (>1,000 employees)	Small Employer (1-1,000 employees)	Employee	Self-employed and Unemployed
Enrollment Options	Must offer enrollment in AHP for all employees	Must offer enrollment in HIPC for all employees	May enroll in AHP or HIPC, depending on size of employer	May enroll in HIPC
Benefit Plans	UEHB plan coverage with opportunity option			
Type of Enrollment	Individual and family		Individual and family, individual and child to individual or eligible family members	
Cost Sharing	- Must pay 50-100% of lowest cost UEHB plan for all full-time employees - Must pay 8% tax on first $22,500 in wages for each less-than-full-time employee		- Full-time employee must pay portion of premium not covered by employer - Less-than-full-time employees contribute through 8% tax on AGI - Copayment or deductible not to exceed 100% of annual premium	Must contribute through 8% tax on AGI
Tax Benefit	100% tax deduction on contributions up to lowest cost UEHB plan in geographic area			
Coverage Requirements	- Annual open enrollment - No discrimination for pre-existing condition - No experience rating			
Premium Assistance	None		For individuals with family AGI <150% of State poverty limit	
Copayment Assistance	None		For individuals with family AGI <150% of State poverty limit	

AHP = Approved Health Plan
HIPC = Health Insurance Purchasing Cooperative
UEHB = Uniform Effective Health Benefits
AGI = Adjusted Gross Income

Federation of Independent Business will be encouraged to form HIPCs. The administrative duties of an HIPC will include:

- Contracting with participating employers and AHPs for the provision of health care insurance for employees and individuals:
- Collecting premiums and sending them to the appropriate AHP;
- Measuring and monitoring health care quality and compliance with national health care goals;
- Preparing informational materials regarding plans, costs, service areas, and health care quality; and
- Managing relationships between consumers and insurers, including grievance resolution.

Every American will have access to basic health care insurance either through direct contact with AHPs or through an HIPC. All plans will offer periodic open enrollment and may not exclude enrollees based on preexisting conditions. Additionally, AHPs may not use experience rating to adjust their premium rates. All AHPS will offer a standard package of basic health care benefits to all individuals.

2.5.2 Equitable Financing

The Jackson Hole Group proposal will be financed with a combination of: an employer payroll tax: an employee adjusted gross income tax: state revenues previously devoted to care for the uninsured; and federal and state income and payroll tax revenues realized from establishing a limit on the deductibility of employers' payments for their employees' health care insurance. Specifically, the tax deduction on employers' and employees' payments for health care insurance will be limited to the price of the lowest-cost UEHB plan in the geographical area of the employee-

The contributions made by an employer or individual in excess of the lowest-cost UEHB pfan will not be exempt from federal taxation. Employers will be responsible for paying between 50 and 100 percent of the premium expense for their full-time employees. The employees will pay the balance of the premium expenses.

Individualswno do not obtain health care insurance *through* full-time employment will be required to contribute toward the cost of such insurance through the income taxsystem. An 8 percent income tax will be applied to adjusted gross income of part-time employees, the self-employed, and the unemployed, up to an income ceiling related to the size of the household. Employers will contrrbutc an 8 percent tax applied to the payroll of part-time employees.

The State revenues previously used to provide coverage to the uninsured will be combined with the proceeds from the taxes on payrolls and adjusted gross incomes. In addition to paying for the health care insurance of contributing members, these funds will subsidize the insurance of individuals and families with incomes below the designated poverty level. Individual states will contract with the HIPCs to enroll all people who have not obtained health care insurance through their employment, Medicare, Medicaid, Champus, or Champus VA. The states would pay the premiums of the lowest-cost UEHB plans for those individuals.

The state will subsidize the coats of UEHB plans for individuals who meet the following criteria:

- Individuals with family incomes below 100 percent of the desiqnated poverty level will receive subsidies equal to the entire amount of their families' premiums: and

- Individuals with family incomes between 100 and 150 percent of the designated poverty level will receive a subsidy that decteases from 100 percent to zero on a sliding scale as income approaches 150 percent of the poverty levei.

These subsidies will be available to full-time employees purchasing health care insurance directly through AHPs and individuals enrolled throuqh the HIPCs. The qualification process to determine eligibility will be administered by an agency chosen by the state.

2.5.3 Expanded Information Gatherinq, Analysis, and Sharing

The Jackson Hole Group proposal advocates a multi-tiered information sharing network. The AHPs and HIPCs will transfer information to the three boards: the OMSB, the HealSB and the HISB. In turn, these boards will report to the NHB. Howevt r, throughout: the system, the Jackson Hole Group proposal encourages consumers, providers, insurers, employers, and the states to participate in the administration of the health care system. The developers of the proposal assert that:

- An open information system leads to better decision making regarcinq the selectron of patients for medical interventions:
- A closer relationship between all components of the health system developa: and
- Medical practices will be continually updated through clinical trials and expert professional judqment.

Consequently, they conclude that. with appropriately managed competition, an informed consumer will be a cost-conscious participant in the health care system.

2.5.4 Cost Containment

The delivery of high-quality health care at economical prices is the central focus of the Jackson Hole Group proposal. The developers of the proposal assert that:

- As a result of the improved information network, consumers at all level8 -- employers, employees , self-employed and unemployed -- will be able to choose the moat cost-efficient UEHB plan available.
- Medical treatments which are found to be inefficient will therefore be eliminated from UEHB plans.
- The AHPs will constantly compete for subscribers by offering low cost and high-quality service.
- The public accountability of providers and insurers that results from the proposed system will improve patient satisfaction and well-being, while reducing health care expenses for employers and individuals.

2.S.S Streamlined Administration

A major feature of the Jackson Hole Group proposal is removal of the burden of health care administration from employers, and especially from small firms where currently the cost of providing health care insurance is generally very high relative to the firms' payrolls. The responsibility for developing, revising, implementing, and monitoring health care programs will be transferred from health care insurance purchasers to AHPs and HIPCs.

The AHPs will concentrate their efforts on making the moat affordable high-quality care available to their customers. Successfully operated AHPs will have to efficiently integrate financial, managerial, clinical, and preventive care expertise. The AHPs will be responsible for all reporting and data transmission required by the national boards.

The HIPCs will act as purchasing agents for small employers and individuals, contracting with AHPs to offer UEHB plans to their clients. As with the AHPs, the HIPCs also have financial and managerial duties to perform for their enrollees.

Standard setting is the responsibility of the three administrative boards. The boards will collect data from the AHPs and HIPCs, and then will determine what needs to be improved, modified, or eliminated from the current health care structure.

The NHB will have ultimate authority regarding the approval of regulations for the proposed national health care system. The NHB will guide the system to promote efficiency and cost containment.

3.0 METHODOLOGY

CONSAD's economic job impact model estimates the number of jobs potentially affected by increases in the cost of labor to industry and the demographic characteristics of the affected job-holders. This study examines labor cost increases due to potential federal mandates requiring the provision of and payment for health care insurance by industry. The federal mandates contained in the four health care proposals under consideration are described in the literature and have been summarized in Chapter 2.0.

The model accumulates data from databases on employment and health care insurance covcraqe, and analyzes that information on the basis of aggregate values for health care insurance cost and coverage parameters developed from the available Literature and from expert advice.

The distribution of private-sector, non-farm firms by employment size, industry sector, geographic location, and payroll level is obtatned from the County Business Patterns, 1987 and from TRINET statistics. The County Business Patterns (CBP) database is compiled by the U.S. Bureau of the Census. TRINET is a market survey firm that compiles business establishment information derived from interviews of firms. The TRINET data used in this study were collected in 1990.

Individual business firms are grouped according to six industry sectors and four firm size categories. These are the same industry sector and firm size categories used in CONSAD's previous work as well as in research conducted by The Urban Institute (U.S.

DOL, 1992). The categorization is dictated by the structure of the available employer dataoases. The six industry sectors are:

- Non-farm agriculture, mining and construction:
- Manufacturing;
- Transportation, communication and utilities:
- Wholesale and retail trade:
- Finance, insurance and real estate: and
- Services.

The four firm size groups used are:

- 1-24 employees,
- 25-99 employees,
- 100-499 employees, and
- > 500 employees.

The total number of employed workers and the total employee payroll are accumulated for each of the 24 categories corresponding to specific firm size groups within specific industry sectors.

The number of insured and uninsured individuals and their demographic characteristics are obtained from the Current Population Survey - 1987. March Supplement, a database established by the U.S. Bureau of Census (1969). The Current Population Survey (CPS) is used here to categorize employees by industry sector, by health care insurance coverage and funding source, and by demographic attribute. The CPS sample contains data from interviews with apprcxmately 149,000 individuals, and covers every state and the District of Columbia. Seven employee demographic characteristics are tracked in this study:

- Age,

- Gender,
- Race/ethnicity,
- Marital status
- Educational level,
- Individual income level, and
- Family income level.

The CPS data are used to calculate the percentage of the work force for each industry sector without own-employer-paid health insurance. For purposes of this study, workers are considered unrnsured If they do not receive health care insurance contributions from their employer, even if they arc covered by health insurance from another source. The percentage of uninsured workers by industry is multiplied by the corresponding CBP employment data to yield the estimated number of uninsured individuals for each industry sector, firm size category, and their associated demographic characteristics.

An employer's health care expenditures will increase if the employer is required to contribute to the health insurance premiums of employees not currently covered, or if the average premium increases for employees with coverage. Consistent with the concept of compensating wage differentials (Morrisey, 1991), CONSAD has assumed that, if the additional labor expense is sizable, the employer will reduce other labor costs in response. This may be achieved by decreasing the wage rate or hours worked of employees, by eliminating the provision of health care insurance if it is not mandated, or by reducing some other component of employees' overall benefits package. If the labor cost increase is excessive or

particularly burdensome, the employer may resort to lay-offs to cut labor costs.

The current average employer-paid health care insurance cost is calculated for each industry group and firm size by dividing the Urban Institute (U.S. DOL, 1992) estimate of total employer contributions to health care insurance by the estimated number of insured employees. These average values reflect the amount of employers' health care insurance expenses per insured employee in 1987, and represent a baseline for comparing the potential impact of health care reform on jobs.

The new average health care insurance premium cost per employee that will result *from* each health care reform proposal is estimated using assumptions based on the provisions of the proposal. Three scenarios corresponding to high, intermediate, and low average costs per employee are produced for each proposal. The resulting range of estimated premiums is used to reflect the uncertain effectiveness cf a proposal in reducing average health care cost, and the undecermrned content of services contained in the basic benefits packages of the proposals. The new average health care insurance cost per employee and the existence of provisions requiring employers to contribute to insurance coverage for certain groups of employees will determine the amount employers will spend *on* health care insurance under a reform proposal.

The House proposal does not require employers to contribute to the insurance of any additional employees. The provisions of the House proposal *arc* intended to make health care coverage accessible to more individuals by reducing the cost of coverage. It is

assumed that the proposal's introduction at insurance pools that spread health risks among large groups of subscribers, and the exclusion of experience and risk rating, will produce average employee health care insurance premiums that are the same for all industries and firm sizes. For scenario 1 of the study, we assume that the new average premium far firms of all industry and firm-size categories is the same as the national average of employers' health care insurance costs for 1987. The new averaqa employee premium for sccnarro 2 is 85 percent of the scenario 1 value. The scenario 3 premium .s 70 percent of the scenario 1 value. Scenarios 2 and 3 correspond to situations in which 15 percent and 30 percent overall cost reductions are achieved due to health care administrative savrnqs and the elimination of cost shifting.

The Senate proposal tcquirca employers ta contribute to the health care insurance of all employees. Employers may choose to pay either a fixed percentage of the average insurance premium for each employee, or contribute a payroll tax whose rate is not specified by the Senate bill. Since the payroll tax rate is unknown, we assume for this study that all employers contribute the appropriate pcrcentaqe Of all employees' health care premiums. An employer must pay 80 percent of the basic premium price for all Cull-tuna employees, SO percent for all part-time employees, and a sliding amount for Less-than-full-time employees. The creation of insurance pools by this proposal is assumed to result in average health care premiums that are the same for all industries and firms sizes. This premium amount is the averaqe premium for all industries and firm sizes for 1987, the same value used to analyze

the House proposal. The premiums used for scenarios 2 and 3 are 85 percent and 70 percent, respectively, of the scenario 1 premium. To calculate the total contribution to health care insurance by firms in a specific industry and firm-size category, the number of full-time, less-than-full-time, and part-time employees are first extracted from the CPS data, and then the appropriate percentage of the average premium is applied for each employee group. Small firms will receive a tax credit on contributions to their employees' health care insurance that will not be available to large firms.

The California proposal mandates complete employer funding of health care insurance for all employees. However, in this proposal, an employer's contribution to employees' health care insurance is determined as a constant percentage of the employer's payroll. For scenario 1, an 8 percent payroll tax is used. The tax rate is set at 7 percent of payroll for scenario 2, and 6 percent for scenario 3. The total payroll of firms in each industry and firm-size category is taken from the Urban Institute data, and the payroll tax used for each scenario is multiplied by that total payroll to compute the total employer contribution for health care insurance.

The Jackson Hole Group proposal also includes provisions to create insurance pooling to spread health care insurance costs among population groups with different health risks. For scenario 1, average employee health care insurance premiums used to examine this proposal are the same as the premiums used to analyze scenario 1 for the House and Senate proposals: the average employee health

care insurance premium for 1987. T&e Jackson Hole *Group* proposal requires employers to contribute an unspecified amount between 50 and 100 percent of the averaqe employee premium for all full-time employees. For scenario 2 of the study, it is assumed that employees pay 75 percent of the averaqa employee health care premium. We assume employers contribute 50 percent of the average employee premium in scenario 3. Employers must also pay an 8 percent payroll tax on the first $22,500 in wages for all part-tine employees.

In CONSAD's model, the ratio of the average increase in employee health care insurance premiums to the salaries of workers is used as a measure of the economic impact of the health care reform proposal. The average increase in *health* insurance premiums for a currently uninsured worker is the total estimated premium for the worker due to the provision of a reform proposal. Por currently insured employees, the average premium increase is the difference between the estimated premium for the worker under a proposal and the current avcraqe premium. The ratio of the health insurance premium increase to the worker's salary is then calculated for each worker in the CBP database to determine job impacts.

Table 3.1 summarizes the estimated effects of increased employer health care insurance costs on an employee's total compensation that are used to evaluate job impacts in this study. Basically, the table indicates that: (1) among workers in any income group, the potential impacts of employers' health care insurance costs on workers' terms and conditions of employment • s@

Table 3.1: Summary of Job Impacts of Increases in Employee's Compensation Package Resulting from Employers' Mandatory Contribution for Health Care Insurance

Percent Increase in Compensation Package[a]	Income Group (thousands of dollars)[b]					
	0-5	≥5-10	≥10-20	≥20-30	≥30-40	≥40
0-6	M	M	N	N	N	N
>6-12	S	M	M	N	N	N
>12-18	S	S	M-	M-	N	N
>18	S	S	S	M	M	N

N = Negligible impact on employee's compensation package.
M = Moderate impact on employee's compensation package.
S = Severe impact on employee's compensation package.

[a]Average employer health insurance premium cost per worker as a percentage of the averaqe annual salary per uninsured worker.

[b]Annual salaries and wages.

more severe when those costs represent larger portions of the employers' total payments to insured workers; and (2) among employers with health care insurance costs that represent comparable portions of their payments to insured workers, the potential impacts of those costs on workers' terms and conditions of employment are more severe for workers with lower levels of wages and salaries. This second point reflects the behavioral assumption that firms value workers with higher incomes more than they do workers with low incomes. For cost increases less than six percent, the estimated impact is assumed to be negligible for those earning $10,000 or more per year and moderate for individuals earning less. For Labor cost increases between six and 12 percent, the assumed impact on an employee's terms and conditions of employment is severe for individuals earning less than $5,000 per year, moderate for those earning between $5,000 and $20,000, and negligible for those earning more than $20,000 per year.

The assumed impact associated with labor cost increases between 12 and 18 percent is severe for individuals earning less than $10,000 per year, moderate for those earning between $10,000 and $30,000, and negligible for those earning more than $30,000 per year. Finally, for Labor cost increases greater than 18 percent, the assumed impact on an employee's terms and conditions of employment is severe for individuals earning less than $20,000 per year, moderate for those earning between $2,000 and $40,000, and negligible for those earning more than $40,000 per year.

In a prevtous study, CONSAD (1992) examined the sensitivity of the number of jobs potentially affected, and the number of jobs • t

risk, to changes in the criterion values used to classify percentage increases in employer's labor costs. The use of different *criterion* values does not greatly affect the number of jobs affected by increased labor costs. For example, when the values are changed from six, 12, and 18 percent to 10, 15 and 20 percent, respectively, the resulting change in jobs potentially affected is approximately 10 percent. The results presented in this study are therefore insensitive to changes in assumptions concerning the relationship between job impacts and employer labor cost increases.

The demographic characteristics of employees potentially affected by or at risk due to the changes in health care insurance costs are then estimated using the job impact results and the 1987 CPS data. The distributions of jobs potentially affected and jobs at-risk among demographic groups nationwide are produced. Since the CPS database is designed for use as a indicator of national individual employment characteristics, the presentation of estimates at the state level is not as reliable as the presentation of national totals.

4.0 SUMMARY OF RESULTS

The potential impacts on employment that have been calculated by CONSAD's job impact model for the four national health care proposals under consrdcration *arc* reported in this chapter. The estimated numbers of workers whose terms and conditions of employment will be affectad. either moderately or severely, • Sc presented; and the demographic characteristics Of the affected workers arc daccr ı bed. The numbers of jobs that arc potentially affected, and the portions of those jobs that arc at-risk are tabulated separately.

The calculated results should not be interpreted as exact numbers of affected jobs. Instead, the estimates Of jobs potentially affected and at-risk should be considered indices of the severity of the impacts that are likely to occur with a given health care reform proposal, and should be used as bases for comparisons amonq the four proposals. A health care reform proposal that produces higher numbers of potentially affected jobs than another proposal will have more adverse impacts on employment. Alternatively, two proposals that involve equivalent numbers of potentially affected jobs may differ in their numbers of jobs at-risk. In this case, the proposal with *more* jobs at-risk will have more adverse employment impacts.

Under all four proposals, the jobs that are potentially affected consist of two groups: (1) the previously uninsured individuals who now obtain coverage at the premium price determined by the proposal under consideration, (2) currently insured,

comparatively low-risk individuals who experience relatively large increases in health care insurance premiums because they are members of larger, comparatively high-risk insurance pools.

4.1 Comparison of Job Impacts

Table 4.1 contains the percentages of total private sector employment (TPSE) that are estimated to be potentially affected and at-risk if the four health care reform *proposals are* implemented. The *proposals* are listed in the table in order of increasing severity of job impacts. The range of results reported in the table correspond to changes due to the different scenario values for the characteristic premium price level to be achieved by the respective proposal.

In 1987, there were 79.7 million private-sector, non-farm jobs in the United States. The impacts *of* the four health care reform proposals on this population range from at least 15.7 million jobs affected for the House proposal, to at most 25.8 million jobs affected for the Jackson Hole Group proposal. These numbers represent 19.8 and 32.3 percent of TPSE, respectively. The House proposal is estimated to place less than 400,000 jobs at-risk, while the Jackson Hole Group proposal will result in 20.1-21.8 million jobs at-risk. The California proposal and the Senate proposal are estimated to affect between 26.8 and 28.8 percent of TPSE, with 21.3-22.1 million jobs affected by the California proposal and 22.3-22.9 zillion jobs affected by the Senate proposal. However, the California proposal is estimated to result in 7.3-9.4 million jobs at-risk, whereas the Senate proposal will

Table 4.1: Jobs Potentially Affected by Proposed Health Insurance Reform Plans

Proposal	Jobs Potentially Affected		Jobs Potentially Affected That Are At Risk	
	Number of Jobs (in millions)	Percent of TPSE	Number of Jobs (in millions)	Percent of TPSE
House	15.7 - 15.8	19.8 - 19.9	0.2 - 0.4	0.3 - 0.6
California	21.3 - 22.11	26.8 - 27.7	7.3 - 9.4	9.1 - 11.8
Senate	22.3 - 22.9	28.0 - 28.8	12.5 - 15.6	15.7 - 19.6
Jackson Hole Group	25.3 - 25.8	31.5 - 32.3	20.1 - 2X.8	25.2 - 27.4

TPSE = Total Private Sector Employment

place 12.5-15.6 million jobs ac-risk. The number of jobs at-risk for the California plan represent 9.1-11.8 percent of TPSE; whereas those for the Senate proposal represent 15.7-19.6 percent of TPSE.

It is useful to compare these numbers with those that are estimated to result from a hypothetical mandated employer-provided insurance proposal. In this theoretical scenario, employers would be required to contribute to all employees' health care coverage at the same rate that they currently contribute to their insured employees. In the employer-provided insurance proposal, 25.4 million jobs are affected, comprising 31.5 percent of TPSE. Of this number, 16.3 million jobs *are* at-risk, or 20.5 percent of TPSE.

The House proposal will potentially affect employees of firms that currently pay health care premiums below the national average premium. If the definition of an impacted job consisted of a worker who simply experiences an increase in health care premium, the number of potentially affected jobs for this proposal would be approximately half of all currently insured individuals. The numbers reported above reflect the more conservative assessment criteria applied in the job impact model.

The California proposal calls for a straight payroll tax at a rate of 6-8 percent. However, since the job impact model determines the impact of health care reform on employment using average employee health care insurance premium increases, low income individuals will experience a premium increase to wage ratio that is higher than 6-8 percent. Because the California proposal ties health care insurance payments to labor income, the insurance

pools may experience underfunding in periods of economic downturn when unemployment is higher than its average value over time.

The Senate proposal and the Jackson Hole Group proposal will both potentially affect the previously insured and the previously uninsured because they contain provisions requiring employers to contribute to their employees' health *cars* insurance costs. The Senate proposal, however, includes a reduction in the employers' required contribution rate for small firms. Since small firms employ a larger total number of workers than do large firms, this results in many fewer workers being impacted. The Jackson Hole Group proposal requires the highest amount of employers' contributions to their employees' health care insurance premiums, and therefore results in the highest number of affected jobs.

Table 4.2 highlights the provisions included in the four proposed health care systems and the current system that are responsible for the large differences in job impact results. The House proposal impacts the fewest number of jobs among the four proposals because it does not require employers to pay for the health insurance of any additional employees. The impact on employment of the California proposal is the third largest among the four proposals because the total additional health care costs incurred by industry under the 6-8 percent payroll tax associated with this proposal is less than total additional costs employers must bear under the combination of fixed premium contributions and payroll taxes mandated in both the Senate proposal and the Jackson Hole Group proposal. The difference in job impacts between the Jackson Hole Group proposal, which has the largest impact on

Table 4.2 Major Provisions Causing Differences in Job Impacts Among Alternative Health Care Insurance Systems

Provision	Current System	House Proposal	California Proposal	Senate Proposal	Jackson Hole Group Proposal
Employer provision of employee health care insurance coverage	Voluntary	Voluntary	Mandatory	Mandatory	Mandatory
Health care insurance pooling	No	Yes	Yes	Yes	Yes
Employer Contribution:					
Percentage of employee premium price	Yes	...	No	Yes	for full-time employees
Payroll tax	No	No	Yes	Yes	for part-time employees
Tax break to small firms	No	No	No	Yes	No

employment of all proposals. and the Senate proposal, which impacts the second highest number of jobs, is due to the tax credit available to small firms under the Senate proposal. Since nearly 57 percent of all private sector employees work for firms with less than 100 workers. and since the average salary of employees of small firms is less than that for employees of *large* firms, this tax credit greatly reduces the total impact of mandated employer-provrded insurance coverage.

It is important to note that these numbers of potentially affected jobs measure only the economic disadvantage Of the various proposals. One obvious benefit from a health care proposal is that individuals who are not currently receiving health care insurance will obtarn coverage. The House proposal does not mandate employers to provrcie insurance to any groups of currently uninsured employees. however. As a result, the proposal's success at increasing the number of individuals who *are* insured will depend on employers choosing to contribute to their employees' health care insurance. Moreover, to the degree that employers choose to contribute, their labor costs will increase and some jobs will be potentially affected (e.g., wages or *other* benefits may be reduced, jobs may be restructured, some workers may be laid off).

The three otner health care *reform* proposals require provision of insurance coverage to a larger population of Americans. The Senate proposal and the Jackson Hole Group proposal provide subsrdiration of Insurance costs for Low-income individuals and mandate contributions by employers to their employees' health care insurance, but will allow employees to choose to forego insurance

covcraqe. A possible result of permitting individuals to not subscribe to health care insurance is that persons who perceive that their own low health care risk does not make insurance worth its price will choose not to *insure.* The removal of these low-risk individuals from insurance pools will increase the average actuarial cost of providing insurance to the remaining members of the pool. The California proposal will result in nearly complete insurance cavcraqs of all individuals.

It is important to recognize that the small number of jobs at-risk that have been estimated for the *House* proposal cannot be validly interpreted as evidence that a suitably designed mandate requiring employers to pay for their employees' health car8 insurance can achieve that objective without placing the employees' jobs at-risk. To the contrary, the observed result has only been obtained by expressly granting employers the option of not paying Cot their employees' insurance. Only by sacriffcinq the objective of compelling the purchase of health care insurance can the adverse consequence of placing large numbers of jobs at-risk be avoided.

5.2 Demographic Characteristics of Jobs-at-Risk

This section describes the dcmoqraphic characteristics of individuals whose jobs are estimated ta be severely impacted by the proposed health care reforms. The numbers of jobs potentially affected and de-risk are reported in Appendices A, B, C, and D for eacn of the demoqraphic characteristics examined in this study. This section summarizes the demographic characteristics for the jobs at-risk, estimated for the four proposals at the national

level. The demographic groups of workers whose jobs are impacted the most by the proposed health car8 reforms are, in general, the groups with smaller than average salaries.

One general prediction of the model is that the demographic characteristics of the workers who will experience the greatest job impacts are essentially the same for all proposals. Pot any demographic characteristic *studied*, the group that experiences the greatest impact for one health care proposal is. most affected by all other proposals: only the overall level of impact changes among proposals.

The aemoqrapnrc groups estimated to comprise the most severely affected workers are described below. The percentage *of* jobs that are at-risk among all of the jobs held by a demographic group • n d the proportional distribution of all jobs at-risk among various demoqrapnic groups are presented Cot the four proposals. The percentage of jobs at-risk within a demographic group is the ratio of the number of jobs at-risk to the total number of employed workers in the group. The proportional distribution of jobs at-risk among a demoqrapnic group is the percentage of the total number of jobs at-risk that are held by members *of* each demographic group. The proportional distribution of jobs *at-risk* reflects the absolute number of affected workers. The percentage of jobs at-risk within a demographic group relates the total number *Of* workers in the group that are highly Impacted. It is sometimes the case chat, for a grvcn demographic group, the percsntaqe of jobs at-risk is hign when the proportional distribution is small. In this situation. a large fraction of a small group of *workers is* at-risk.

The data characterizing the workers at-risk ate depicted graphically in Figures 4.1 through 4.14. It is important CO note that, to improve clarity, the vertical scale on some of these graphs does not extend to 100 percent. The numbers displayed in the graphs and discussed below relate to the intermediate scenario of employees' health care insurance costs (i.e., scenario 2) for each proposal. The discussion focuses on the distribution of the impacts estimated *for* different demographic groups and not on the numerical values of the estimated impacts. Each demographic characteristic is examined in a separate subsection.

4.2.1 Age Characteristics

The results summarizing the age characteristics of the employees whose jobs are at-risk are presented in Figures 4.1 and .2. Young workers comprise the most highly impacted age group under all four *health* care reform *proposals.* The *largest* number of severely impacted workers are between 19 and 24 years of age, followed by workers uno are between 25 and 34 years old. The least affected workers are those wno are 65 years of age and older.

In relative terms, the workers wno are 18 years of age and younger experience the highest impact. Between 70.0 percent and 89.1 percent of all workers in this age group are at-risk. The next highest relative impact is associated with workers between 19 and 24 years of age, followed by workers 65 years of age and older. Although the group of workers 65 *years* of age and older is small compared to other age groups of workers, the results show that a large percentage of employees in this age group, up to 45 percent for the Jackson Hole Croup proposal, will be potentially at-risk

Figure 4.1 Jobs at Risk, As a Percentage of Total Age Group Population

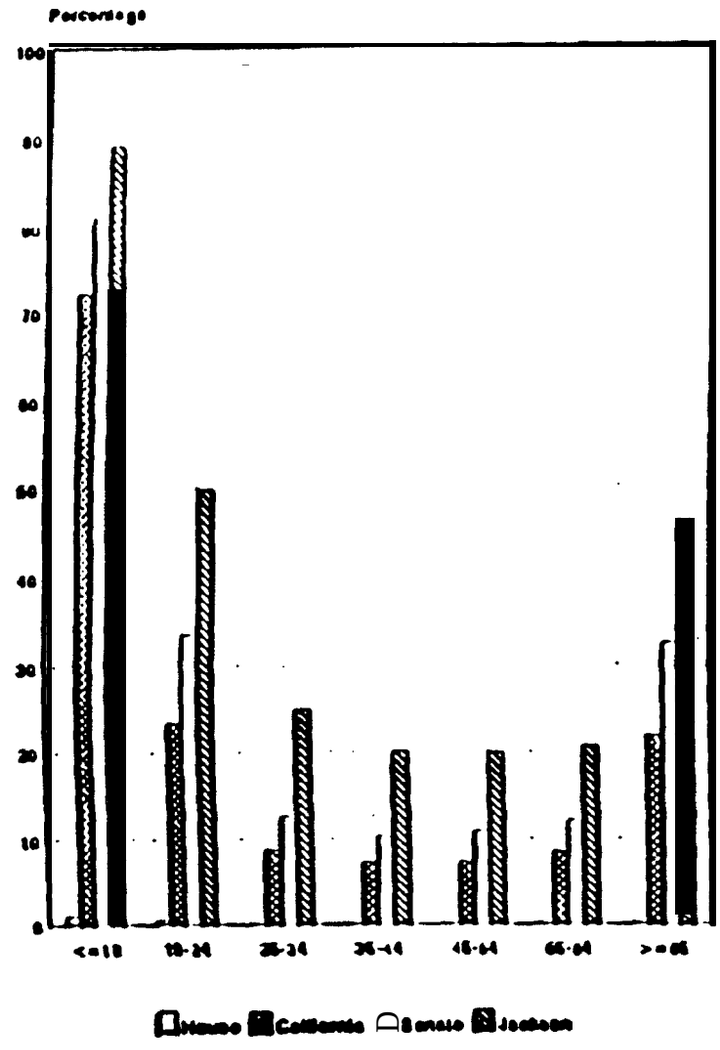
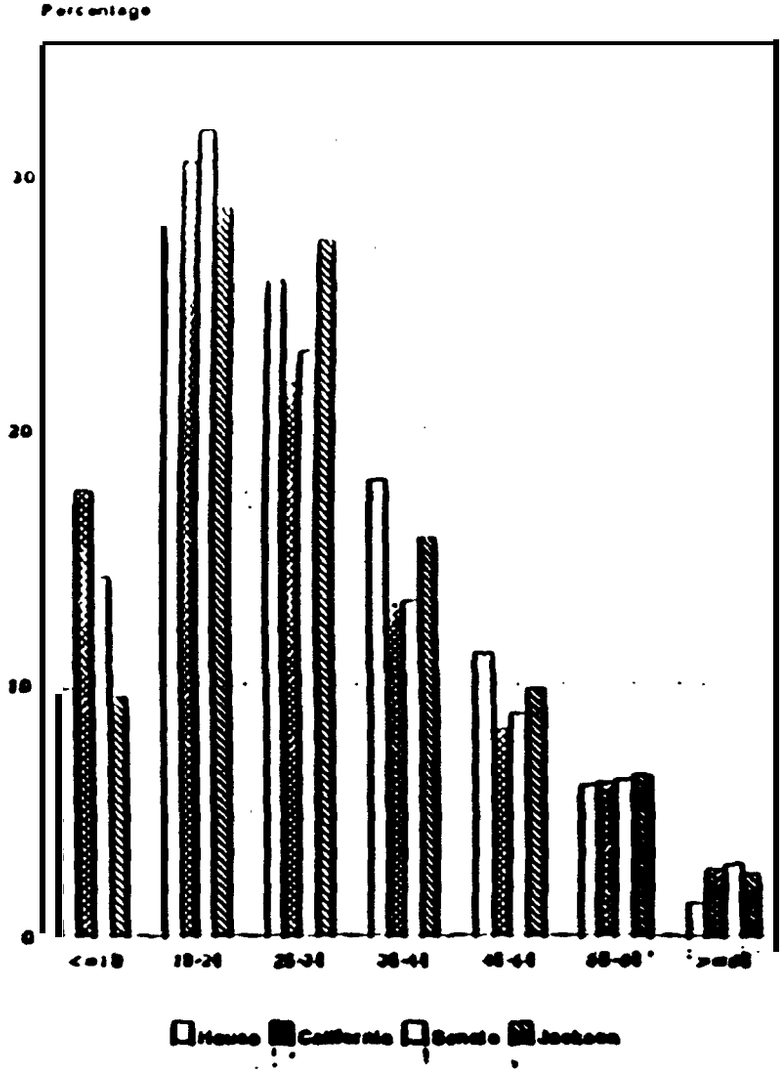


Figure 4.2 Proportional Distribution of Jobs at Risk by Age



due to proposed health care reform. This large impact is due to the small average salary of employees who are 65 years old or older.

4.2.2 Gender Characteristics

The results summarizing the gender characteristics of the workers whose jobs are at-risk are depicted in Figures 4.3 and 4.4. In both relative and abaoiutc terms, female workers comprise the more highly impacted gender for all four health care reform proposals. The House proposal places lees than one percent of all male and female workers at risk. The impact on females workers far the other three plans ranges from 17.8 percent of all female workers being at risk for the California proposal to 40.9 percent for the Jackson Hole Group proposal.

4.2.3 Race/Ethnicity Characteristics

The results summarizing the race/ethnicity characteristics of the employees whose jobs are at-risk are portrayed in Figures 4.5 and 4.6. In absolute terms, whites comprise the most highly impacted group under all four health care reform proposals. This result is projected primarily because whites represent the majority of all employees. White workers comprise between 67.2 and 78.5 percent of all employees severely affected by all of the health care proposals. In all cases, blacks and hispanics each represent roughly 10 to 15 percent of the total number of workers with jobs at-risk.

4.2.4 Marital Status Characteristics

The results summarizing the marital status characteristics of the workers whose jobs are at-risk are displayed in Figures 4.7 and

Figure 4.3 Jobs at Risk as a Percentage of Total Gender Group Population

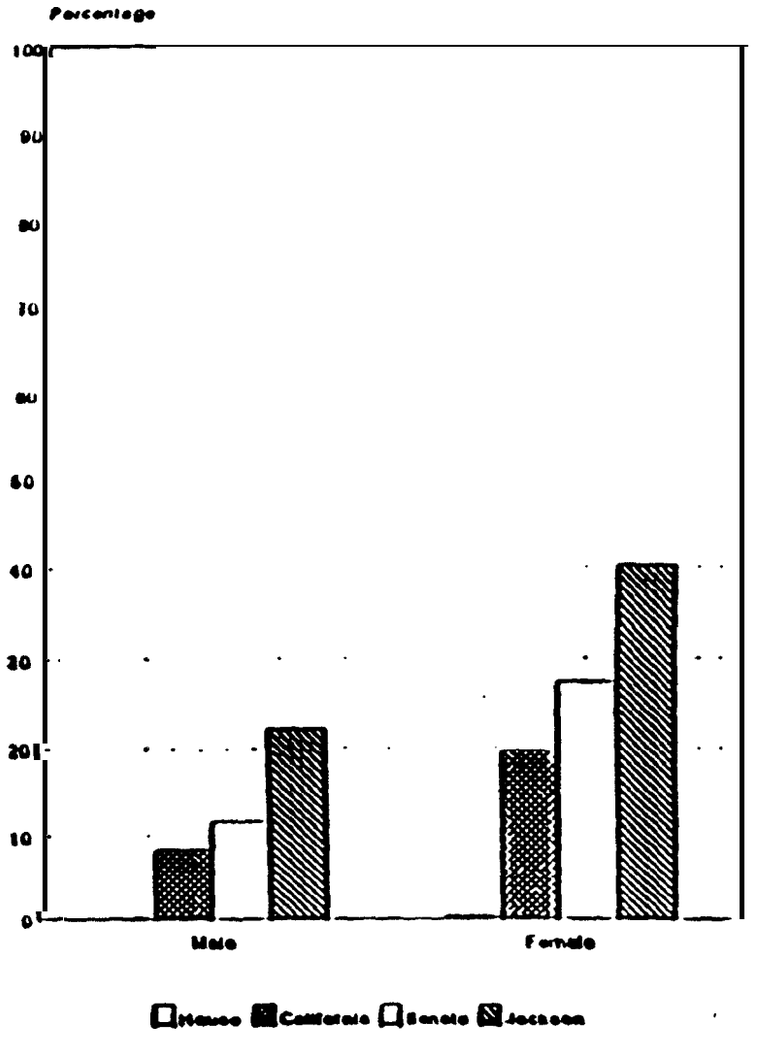


Figure 4.4 Proportional Distribution of Jobs at Risk by Gender

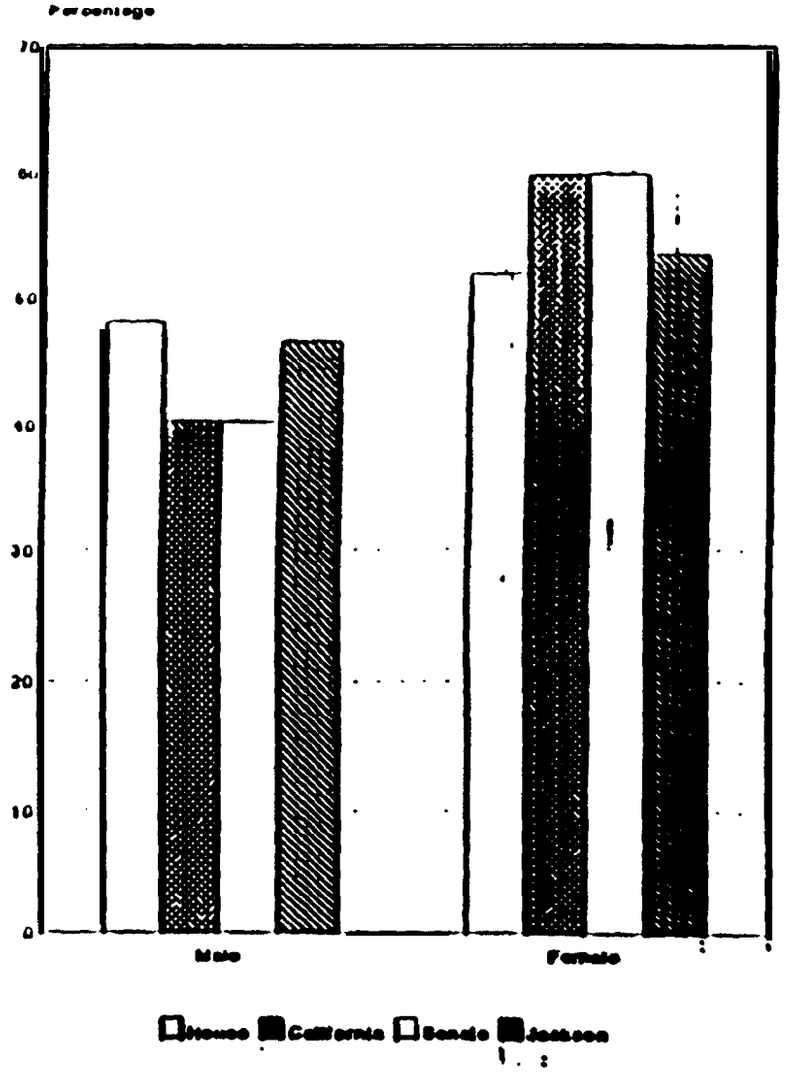


Figure 4.5: Jobs at Risk, As a Percentage of Total Race Ethnicity Group Population

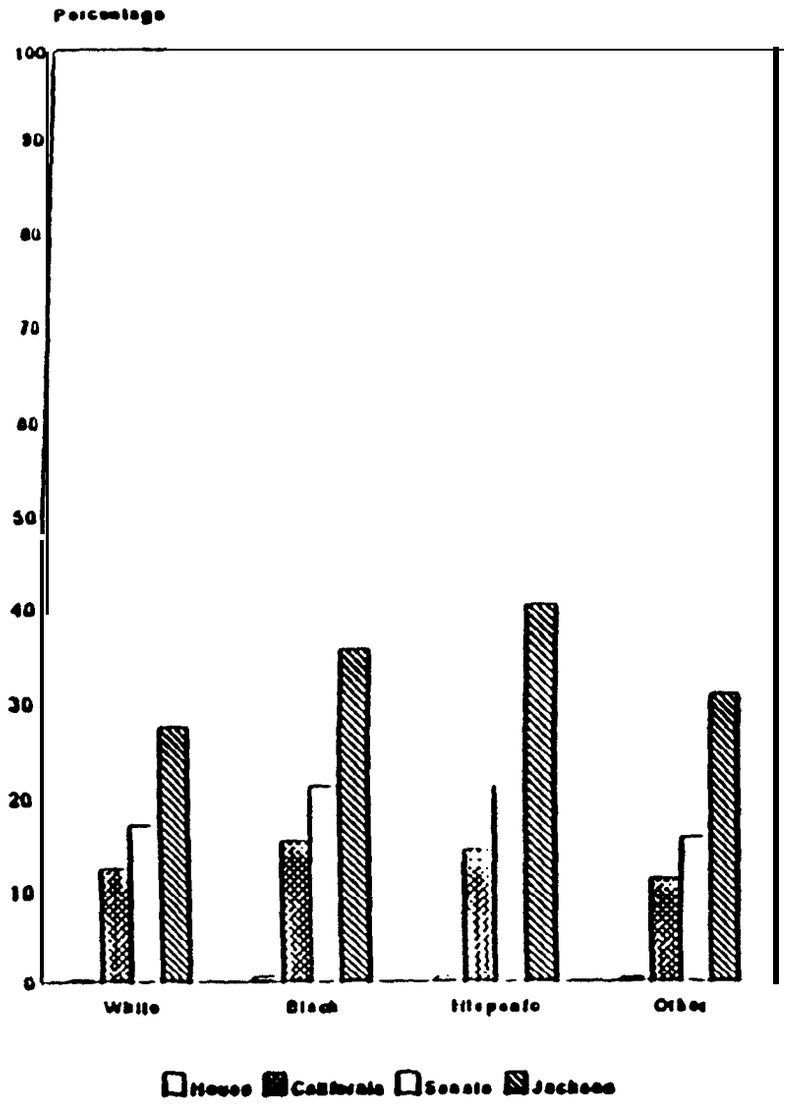


Figure 4.6: Proportional Distribution of Jobs at Risk By Race/Ethnicity

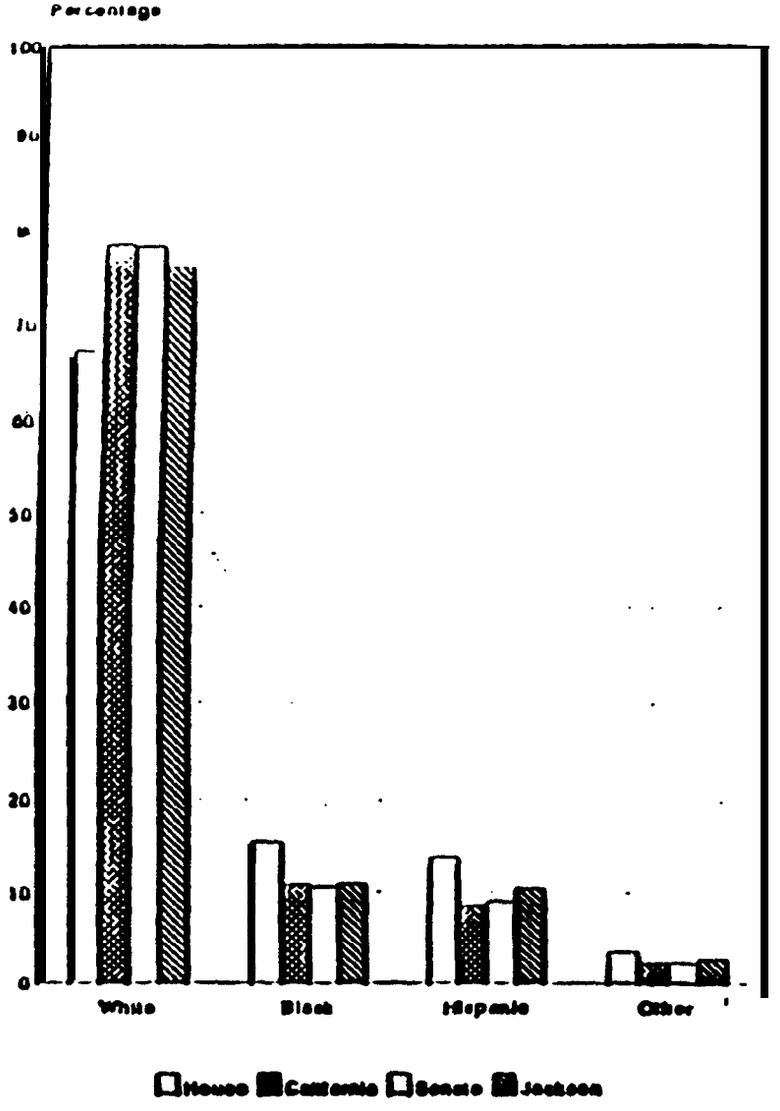


Figure 4.7: Jobs at Risk, As a Percentage of Total Population by Marital Status

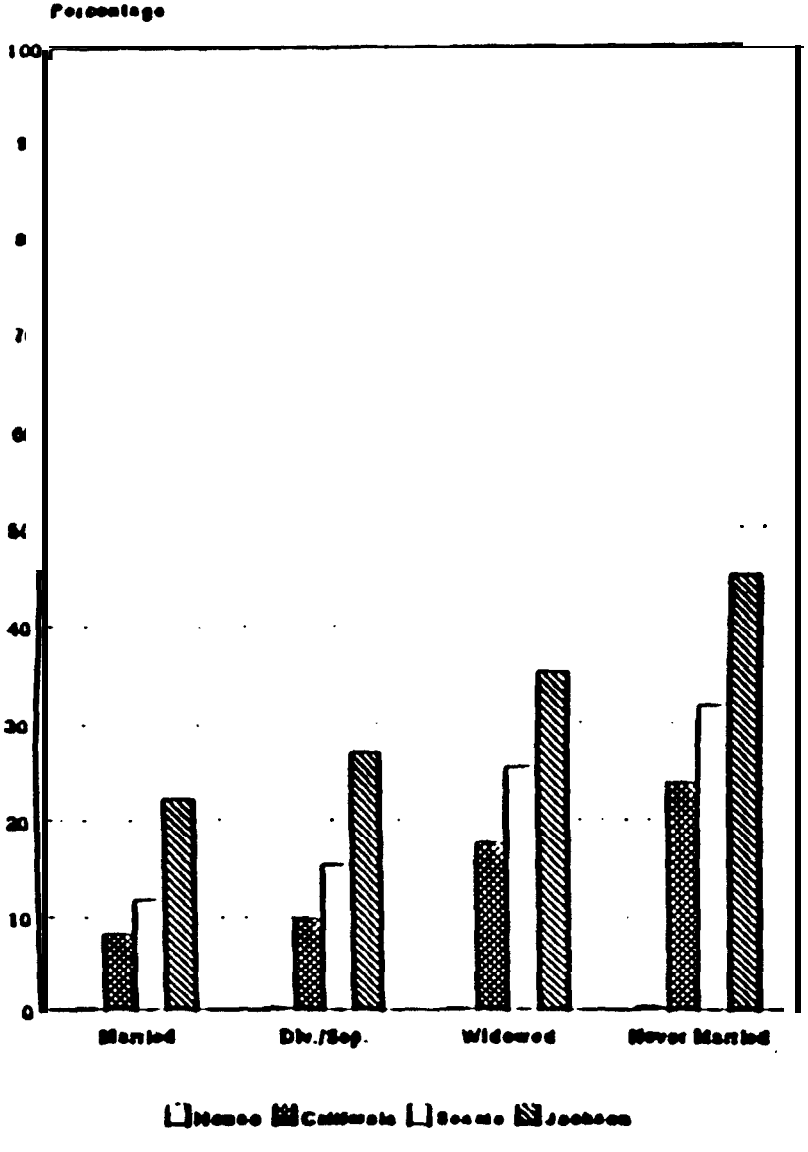
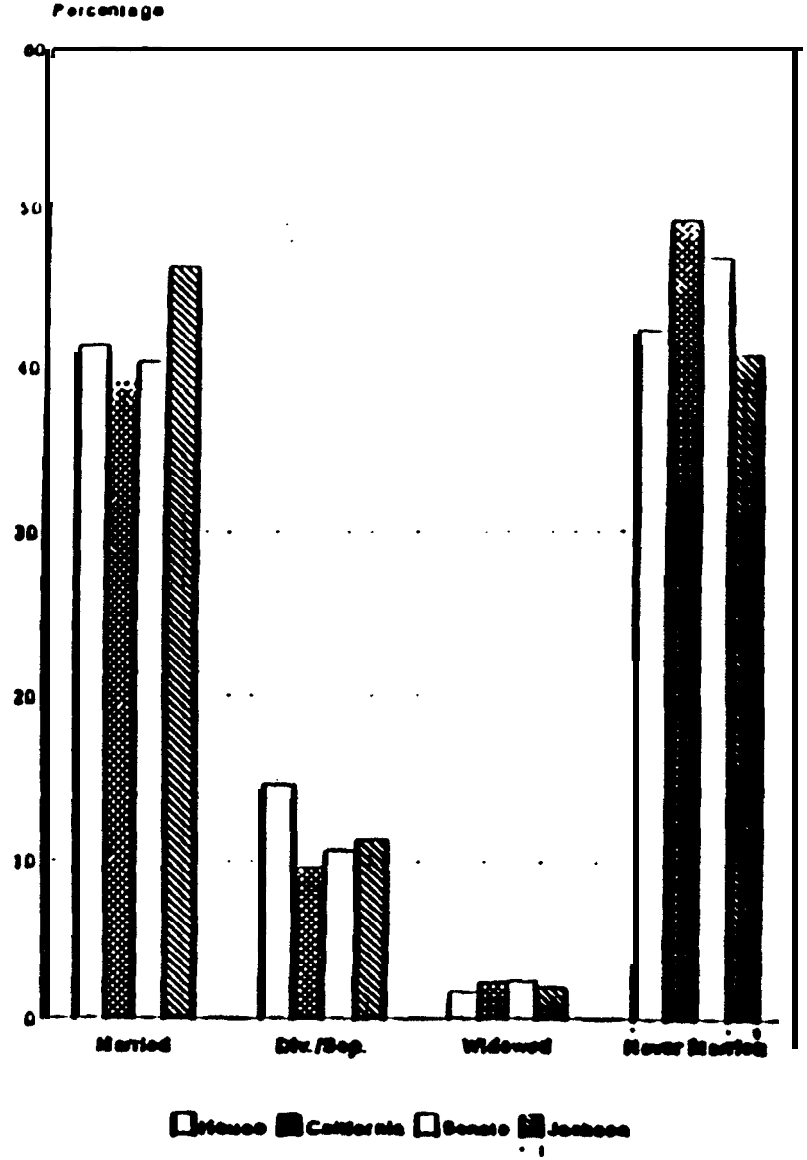


Figure 4.8 Proportional Jobs at Risk by Marital Status



4.8. Workers whose jobs are at-risk are nearly equally divided between those who are married and those who have never been married, with the number of workers who have never been married being slightly higher in all cases except the Jackson Hole Group proposal. These two groups of individuals each comprise between 38.4 and 50.0 percent of all jobs *at-risk* for all of the proposals. Workers who are separated or divorced represent between 19.3 and 14.6 percent of all jobs at-risk for the four proposals.

4.2.5 Educational Level Characteristics

The results summarizing the educational attainment of the workers whose jobs are ac-risk are presented in Figures 4.9 and *4.10.* The most striking feature of this demographic profile is that more than half of all workers affected by the health care reform proposals have had some college education, but do not have college degrees. These workers represent 57.4 to 63.3 percent of all employees with jobs *de-risk,* depending on the proposal. Those who have some hiqn school education, but have not completed high school comprise 14.1 to 20.4 percent of all workers with jobs at-risk.

4.2.6 Income Level Characteristics

The results summarizing the individual income level characteristics of the employees whose jobs are at-risk are depicted in Figures 4.11 and 4.12, and the results describing those workers in terms of their total family income levels are displayed in Figures 4.13 and 4.14. The findings relating to total individual annual income Indicate that low income workers will experience the greatest adverse effects *from* the proposals because

Figure 4.9. Jobs at Risk As a Percentage of Total Population by Education Level

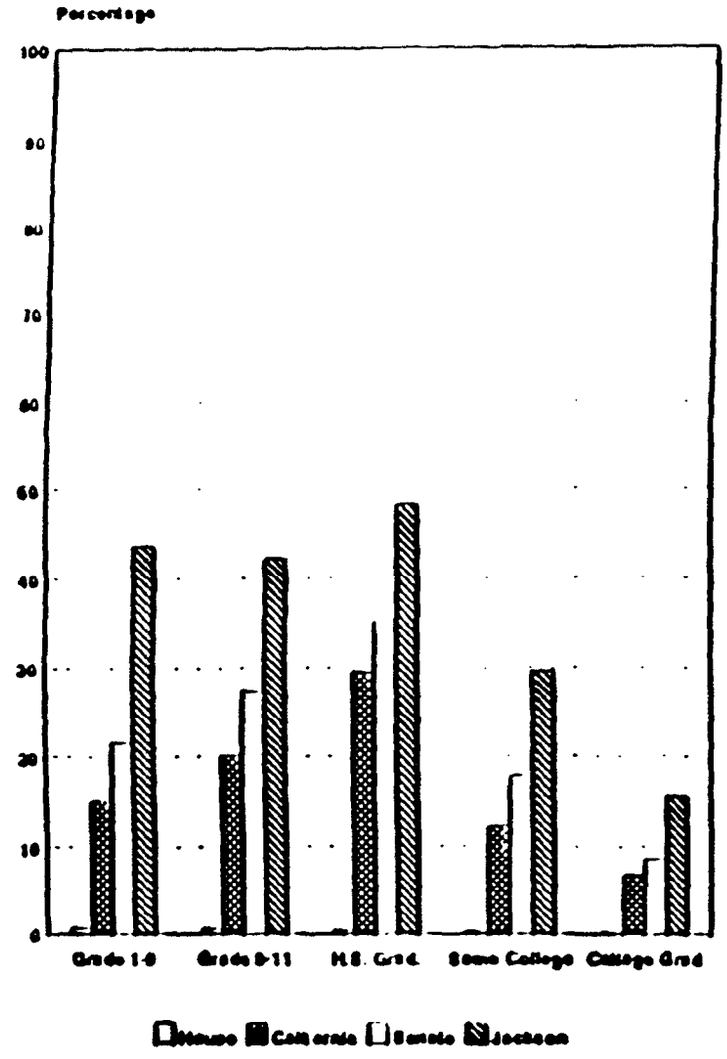


Figure 4.10 Proportional Distribution of Jobs at Risk by Education Level

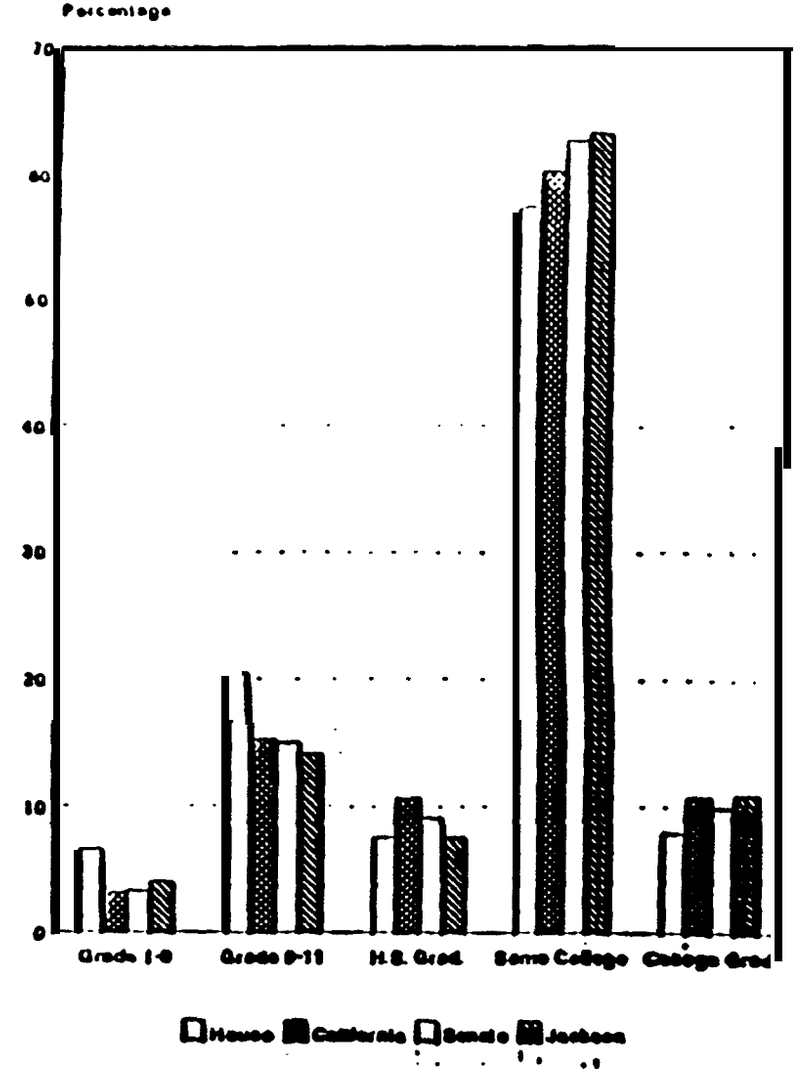


Figure 4.11 Jobs at Risk As a Percentage of Total Population by Annual Wage Level

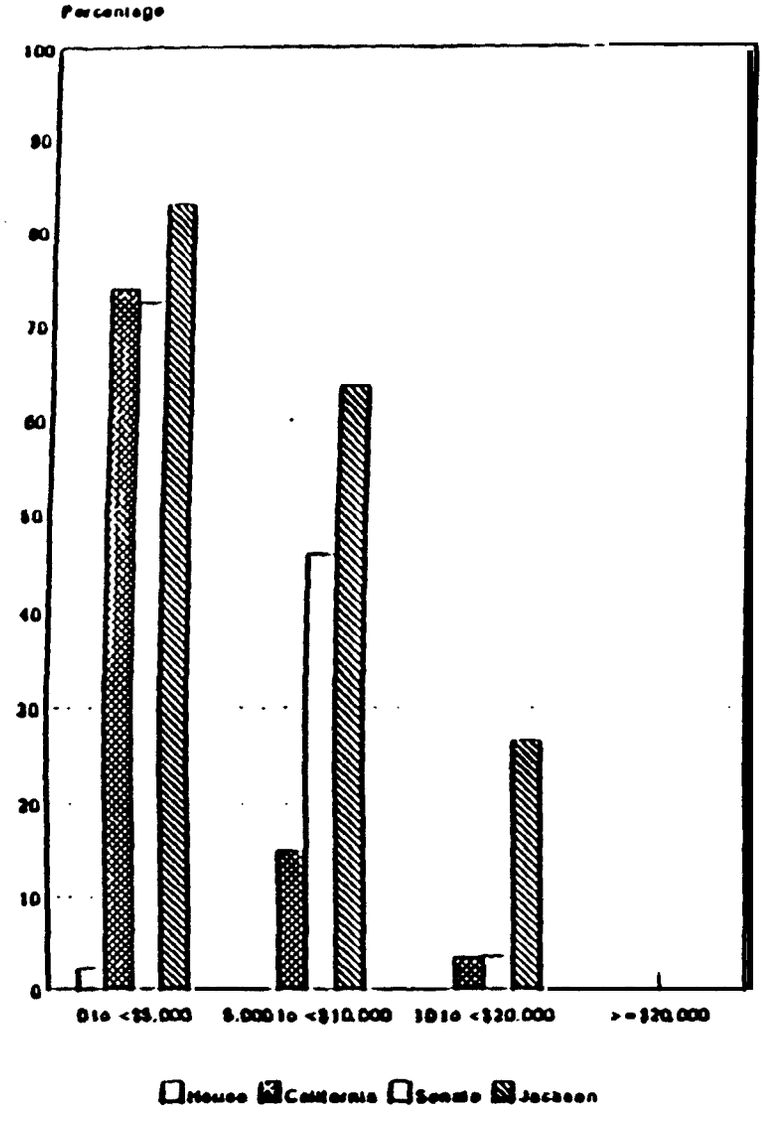


Figure 4.12 Proportional Distribution of Jobs at Risk by Annual Wage Level

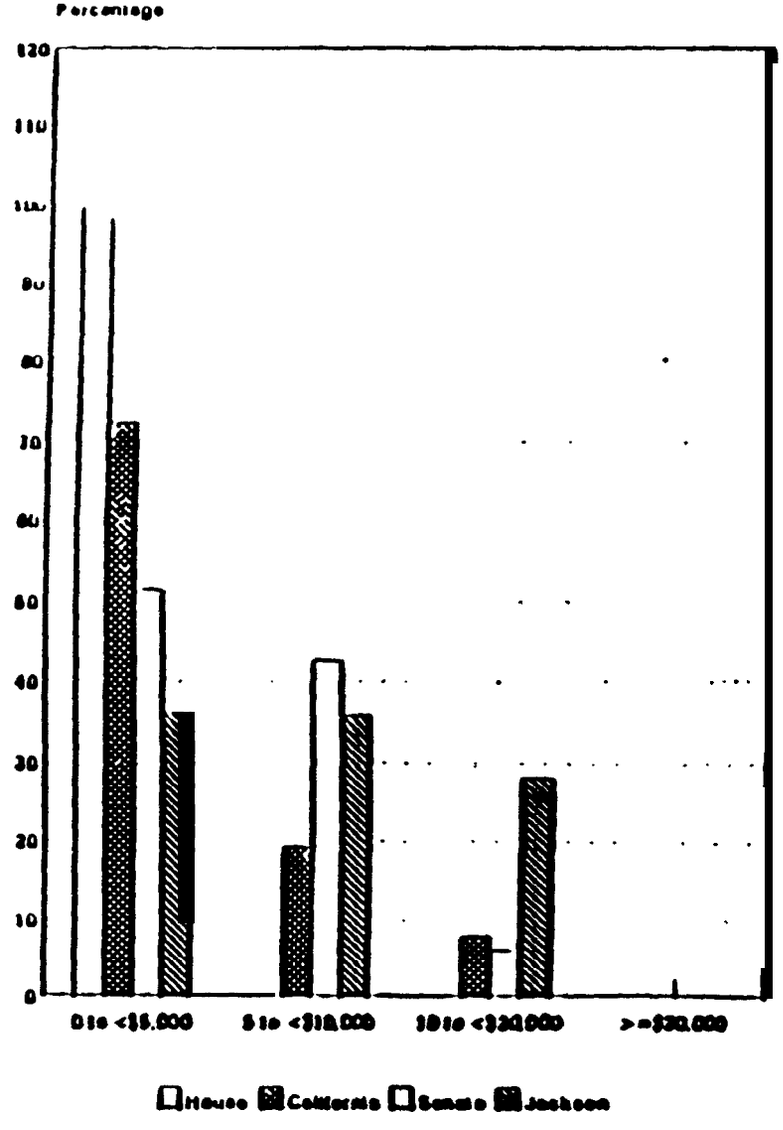


Figure 4 13. Jobs at-Risk As a Percentage of Total Population by Total Annual Family Income

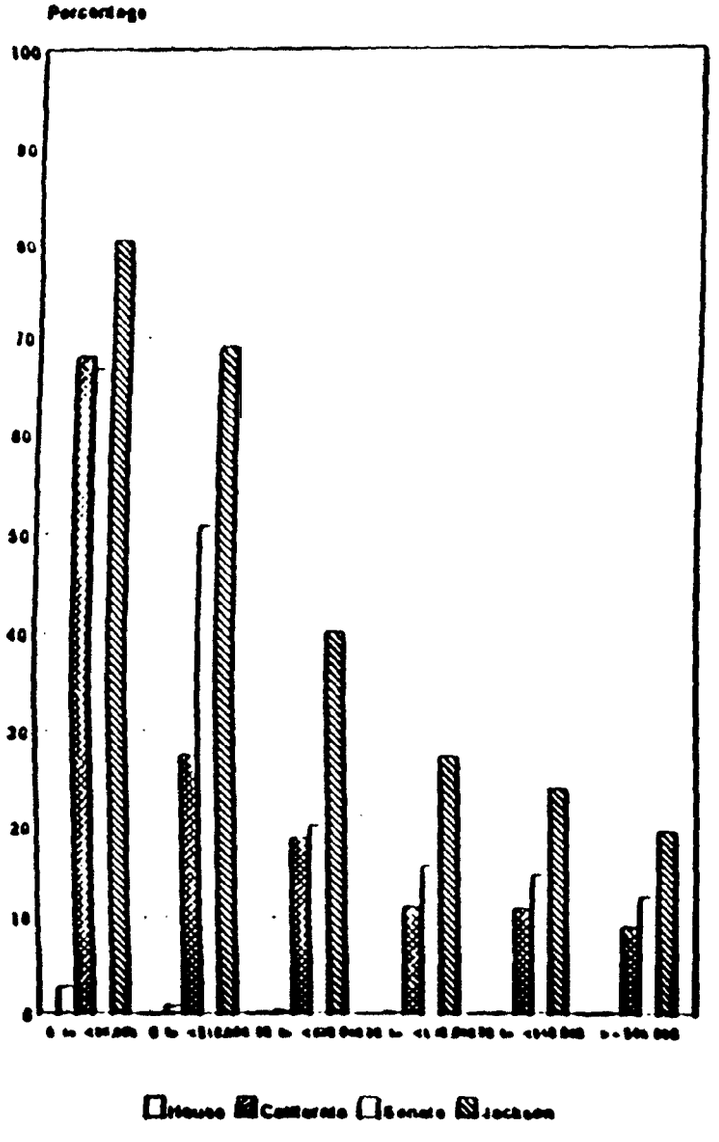
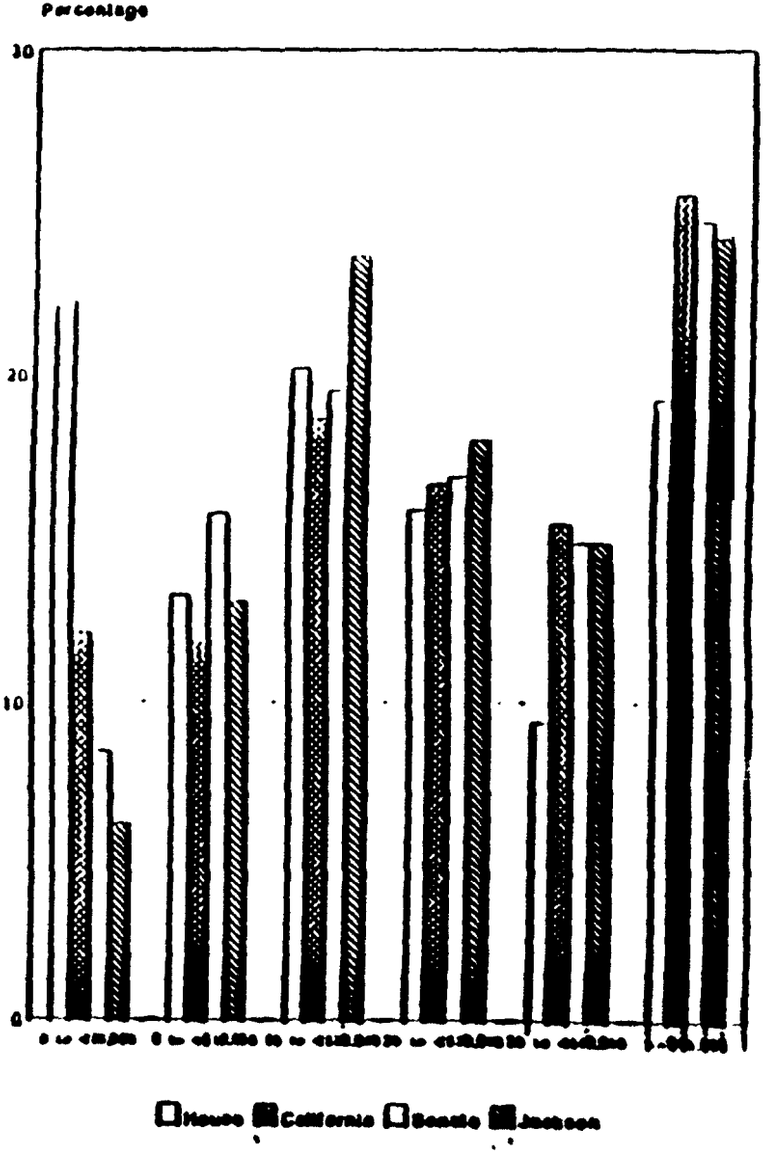


Figure 4 14 Proportional Distribution of Jobs at-Risk by Total Annual Family Income



their health care insurance costs will be large compared to their incomes. The interesting finding revealed in Figure 4.12 is that, for the Jackson Hole Group proposal, the impacts are not concentrated as heavily on those with very low incomes as are the impacts for the other proposals. In the Jackson Hole Group proposal, the number of workers with jobs at-riak is equally divided among all three cohorts of workers who earn less than $20,000 annually. In the three other proposals, the impacts decrease as income increases.

The interesting feature of the results relating to total annual family income is that a considerable number of jobs at-risk are held by workers whose family incomes are greater than $40,000. Indeed, for all four proposals the largest proportion of jobs at-risk are held by workers with family incomes above $40,000. The second highest percentage of jobs at-risk are held by individuals with annual family incomes between $10,000 and $20,000, and the third highest percentage by individuals with annual family incomes between $30,000 and $40,000.

5.0 OPPORTUNITIES FOR FUTURE STUDY

There is enormous opportunity for improvement in our understanding of current health care insurance and health care delivery cost, provision and utilization. The lack of reliable data pertaining to these issues is the limiting factor affecting the quality at results from CONSAD's economic job impact model. Information about the business *and* demographic characteristics of employers and employees is much more readily available and accurate than the data describing: the kinds of health care services that employers provide to their employees, the practices of insurers in determining premium prices, the costs of health care delivery by providers, and the quality *and* amount Of health care services used by employees. The results developed by the model are the best that can be obtained from cnt available data, with the available time and resources. The findings presented here are known ta be robust because ranges of premium values have been used to describe the different health care reform proposals, and thereby to compensate for the unavoidable uncertainty about the final premium rates that will result if the proposed health care systems are implemented. Yet, there are avenue3 for future work that should be pursued when new source5 of premium information become available.

The results presented in this report are most reliable at the national level. This is because the premium price information used in the model (Urban Institute, Department of Labor) is presented at the national level and does not reflect the geographic dependence of premiums that results from regional variations in the

costs of health care proviafoa and in the utilization of health care.

The most recent comprenensive data on employer-paid health care insurance premiums that are available for use in the model relate to 1987. Since premium rates have changed dramatically since then, and since these changes are estimated to be radically different among industry and firm-size groups, the data on premiums restricts our use of databases an employers and employees to those compiled far 1987. If more recent information on premiums becomes available, the more recent databases that *more* accurately characterize businesses and employees can be easily incorporated into *cne* modal.

Americans with health care insurance currently carry plans that incorporate a wide range of copayments, out-of-pocket expense limits, deductibles, benefits package contents, risk adjustment factors and experience ratings. Ltttfe information is currently available about the kinds of health care insurance plans to which employers and employees now cnaase to subscribe. To accurately estimate the effect of any health care reform proposal on the insurance benefits obtained by Americans, and on the total number of individuals who will receive improved health care coverage, better information about the *current* and proposed systems of benefits and insurance must be known.

Premium prices and health care service quality depend on factors that affect health care providers such as: geographic location: availability and redundancy of technology and equipment: the types of services included in health care insurance packages:

the amounts of training, education, and research expenses included among compensable costs; and cost-shifting by providers among different groups of insured people. The proposals considered in this report address most of these factors through government regulation and standardization intended to evoke new health care market forces. Research should be performed to describe and quantify the influence of these factors on health care premiums and service delivery so that the effects of health care reform on the amount, quality and composition of health care being provided to individuals can be predicted more reliably. Then the results of CONSAD's model can be extended to include the rewards attained through health care reform -- the provision of efficacious, high-quality health care services to more Americans.

The findings of the job impact model presented in this report concentrate only on some of the many questions that can potentially be addressed by the model. Future work can estimate the differences in the effects that health care *reform* proposals will have on specific groups of employees: part-time versus full-time workers, previously insured versus previously uninsured workers, or workers classified in relation to specific combinations of two or more characteristics. Many other distinctions can be made among employee groups to analyze and contrast the various effects of health care reform. The examination of potential effects of health care reform on different employee groups is crucial to the process of determining the types of health care reform proposals that will improve the health care status of individuals with minimal access to the current *national* health care system wile leaving unaffected

individuals who have health insurance with which they are satisfied.

New health care reform proposals may appear as the health care policy discussion evoivea. One health care reform option that has emerged recently is the concept of national health care spending caps to limit the total amounts of money the United States spends on specific types of health care, of even health care in total. The effects of implementing total spending caps can be easily introduced into the model. The estimated effects of new proposals can be evaluated by the model as they emerge.

The issue of national health care reform affects all Americans, and the potential effects of changes in government health care policy on the economic well-being of Americans should be a primary concern of policy makers. Health care reform proposals that mandate chat employers must contribute to the provision of health care insurance for their employees will provide health insurance coverage to millions of individuals who need it, but at the same time will impact the terms and conditions of employment for them and millions of others, some of *whom* may lose their jobs. Both the health benefits and economic disadvantages of proposed health care reforn will be researched and discussed in considerably greater detail before any heaith *care* policy option is selected and reforms are implemented.

This economic job impact report', as well as much previous work by CONSAD on health care reform, attempts to contribute to this national health care policy dialogue. Such studies identify who is impacted, what their prominent demographic characteristics are,

which industries tncy work in and where, and relative degrees of. impact. All affected patties, not only their political representatives, should want to know this.

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APPENDIX A: Jobs At-Risk As A Percentage of Total Private Sector Employment in Specific Demographic Groups

TABLE A.1: Jobs At Risk As a Percentage of Total Private Sector Employment in Specific Age Ranges.

		Age (in Years)							
		16 - 18	19 - 24	25 - 34	35 - 44	45 - 54	55 - 64	65	All
HOUSE	Scen: 1	1.0	1.0	4.5	0.5	0.5	0.4	0.8	0.6
HOUSE	Scen: 2	0.9	0.5	0.2	0.2	0.2	0.2	0.2	0.3
HOUSE	Scen: 3	0.9	0.5	0.2	0.2	0.2	0.2	0.2	0.3
SENATE	Scen: 1	82.1	38.1	16.4	13.2	13.5	14.6	37.1	21.1
SENATE	Scen: 2	81.1	33.5	12.7	10.3	10.8	12.1	12.4	17.8
SENATE	Scen: 3	1.1.1	32.1	11.9	9.7	10.1	11.4	29.1	16.9
CALIF	Scen: 1	72.1	25.2	8.7	7.3	7.3	8.5	21.7	12.8
CALIF	Scen: 2	70.0	21.0	7.7	6.5	6.4	7.6	19.4	11.6
CALIF	Scen: 3	69.1	15.9	6.0	4.8	4.8	6.0	16.1	9.8
JACKSON	Scen: 1	89.1	50.1	25.s	20.5	20.3	20.9	46.8	29.6
JACKSON	Scen: 2	89.1	49.7	24.8	20.0	19.8	20.1	46.0	29.1
JACKSON	Scen: 3	88.2	47.0	22.9	18.4	18.2	19.0	43.1	27.2
MANDATE	Scen: 1	87.3	40.7	16.8	13.8	14.2	15.3	38.2	22.2

TABLE A.2 Jobs At Risk As a Percentage of Total Private Sector Employment by Gender.

	Gender		
	Male	Female	All
HOUSE Scen: 1	0.5	0.8	0.6
HOUSE Scen: 2	0.2	0.4	0.3
HOUSE Scen: 3	0.2	0.4	0.3
SENATE Scen: 1	14.4	31.8	21.1
SENATE Scen: 2	11.7	27.4	17.8
SENATE Scen: 3	11.0	25.3	16.9
CALIF Scen: 1	8.4	19.6	12.8
CALIF Scen: 2	7.6	17.8	11.6
CALIF Scen: 3	6.6	15.0	9.8
JACKSON Scen: 1	22.4	40.9	29.6
JACKSON Scen: 2	22.1	40.1	29.1
JACKSON Scen: 3	20.6	37.7	27.2
MANDATE Scen: 1	15.8	32.2	22.2

TABLE A.3: Jobs At Risk As a Percentage of Total Private Sector Employment in Specific Race/Ethnicity Categories.

	Race/Ethnicity				
	White	Black	Hispanic	Other	All
HOUSE Scen: 1	0.5	1.2	1.1	0.9	0.6
HOUSE Scen: 2	0.2	0.5	0.5	0.4	0.3
HOUSE Scen: 3	0.2	0.5	0.5	0.4	0.3
SENATE Scen: 1	20.3	24.1	26.0	21.7	21.1
SENATE Scen: 2	17.1	21.0	21.1	15.7	17.8
SENATE Scen: 3	16.1	19.9	19.8	15.2	15.9
CALIF Scen: 1	12.4	15.1	16.4	11.3	12.8
CALIF Scen: 2	11.3	14.0	13.0	10.4	11.6
CALIF Scen: 3	9.6	11.7	10.6	8.3	9.8
JACKSON Scen: 1	27.7	35.0	41.1	31.9	29.b
JACKSON Scen: 2	21.3	35.4	40.1	30.7	29.1
JACKSON Scen: 3	25.8	s2.2	36.7	28.3	21.2
MANDATE Scen: 1	20.7	29.0	30.0	21.9	22.2

TABLE A.4: Jobs At Risk As a Percentage of Total Private Sector Employment in Specific Marital Status Categories

	Marital Status				
	Married	Div - Sep**	Widowed	Never Married	All
HOUSE Scen: 1	0.5	0.7	0.6	0.8	0.6
HOUSE Scen: 2	0.2	0.3	0.3	0.4	0.3
HOUSE Scen: 3	0.2	0.3	0.3	0.4	0.3
SENATE Scen: 1	15.0	19.0	28.2	35.6	21.1
SENATE Scen: 2	11.9	15.4	25.4	31.7	17.8
SENATE Scen: 3	11.2	14.6	24.6	31.5	16.9
CALIF Scen: 1	8.3	10.0	17.7	21.9	12.8
CALIF Scen: 2	7.4	8.8	16.0	22.1	11.6
CALIF Scen: 3	5.7	7.1	13.0	20.3	9.6
JACKSON Scen: 1	22.8	27.4	36.3	45.5	29.6
JACKSON Scen: 2	22.3	26.9	35.3	45.2	29.1
JACKSON Scen: 3	20.6	25.1	33.3	43.1	21.2
MANDATE Scen: 1	15.6	19.8	30.5	37.8	22.2

TABLE A.5 Jobs At-Risk As a Percentage of Total Private Sector Employment in Specific Educational Achievement Categories.

	Highest Educational Level Achieved																							
	Grade 1 - 8		Grade 9 - 11		High Schl Gr		Some College		College Grad										All					
HOUSE Scen: 1	1.7		1 1 0.6		0.9		0 6 0.3		0 2 0.1										0.6					
HOUSE Scen: 2	...	0.7					0.5										...		0.3					
HOUSE Scen: 3	24.9	0.7	30	0.6	6	37.8	0.5	21.6	0.3	11	0.1	4							0.3					
SENATE Scen: 1	21.5						35.2												21.1					
SENATE Scen: 2	19.8		27		25	6	4	36.3	17	15	9	8	8	6					17.8					
SENATE Scen: 3							....				8	0							14.9					
CALIF Scen: 1	15.0			20.0			29.5	12			3	6	7						12.8					
CALIF Scen: 2	13.6			18	5	28.1	11	0	b	1									11 6					
CALIF Scen: 3	10.9			17		2		26.1			9	2	4	6					9.8					
JACKSON Scen: 1	46.9			43.0		48.6		29.9		15.9									29.6					
JACKSON Scen: 2	....	43.8		42.3	48.0		29.5			15.s									29.1					
JACKSON Scen: 3	33.8	39.1	39.6	36.3	41.9	45.9	21.9	27.4		16.6									2t.2					
MANDATE Scen: 1										10.3									2a.2					

TABLE A.6: Jobs At-Risk As a Percentage of Total Private Sector Employment in Specific Annual Wage and Salary Ranges

	Annual Wages and Salaries (in Dollars)						
	0 - <5,000	5 - <10,000	10 - <20,000	20 - <30,000	30 - <40,000	>=40,000	All
HOUSE Scen: 1	2.2	1.9	0.0	0.0	0.0	0.0	0.6
HOUSE Scen: 2	2.2	0.0	0.0	0.0	0.0	0.0	0.3
HOUSE Scen: 3	2.2	0.0	0.0	0.0	0.0	0.0	0.3
SENATE Scen: 1	72.5	46.9	13.9	0.0	0.0	0.0	21.2
SENATE Scen: 2	72.5	45.9	5.5	0.0	0.0	0.0	17.8
SENATE Scen: 3	72.0	41.4	3.2	0.0	0.0	0.0	17.0
CALIF Scen: 1	73.9	14.9	3.3	0.0	0.0	0.0	12.8
CALIF Scen: 2	72.8	9.5	2.9	0.0	0.0	0.0	11.7
CALIF Scen: 3	72.0	4.8	0.0	0.0	0.0	0.0	9.9
JACKSON Scen: 1	83.2	63.4	28.1	0.0	0.0	0.0	29.7
JACKSON Scen: 2	83.2	63.4	26.7	0.0	0.0	0.0	29.3
JACKSON Scen: 3	83.2	56.8	24.1	0.0	0.0	0.0	27.4
MANDATE Scen: 1	83.2	62.0	4.8	0.0	0.0	0.0	22.3

Jobs At Risk As a Percentage of Total Private Sector Employment in Specific Total Annual Family Income Ranges.

		Total Annual Family Income (in Dollars)						
		0 - <5,000	5 - <10,000	10 - <20,000	20 - <30,000	30 - <40,000	>=40,000	All
HOUSE	Scen: 1	2.7	2.2	0.8	0.6	0.4	0.3	0.6
HOUSE	Scen: 2	2.7	0.7	0.3	0.2	0.1	0.1	0.3
HOUSE	Scen: 3	2.7	0.7	0.3	0.2	0.1	0.1	0.3
SENATE	Scen: 1	66.9	51.5	26.8	19.0	17.7	14.7	21.5
SENATE	Scen: 2	66.9	50.7	20.1	15.5	14.5	12.1	18.0
SENATE	Scen: 3	66.1	47.5	19.0	14.7	13.8	11.6	17.2
CALIF	Scen: 1	68.1	27.6	13.8	11.1	10.9	9.0	15.0
CALIF	Scen: 2	66.7	23.0	12.4	10.0	10.0	8.3	11.8
CALIF	Scen: 3	65.7	19.7	9.9	8.2	8.3	7.0	10.0
JACKSON	Scen: 1	80.4	59.1	40.7	27.7	24.5	19.9	30.1
JACKSON	Scen: 2	80.4	69.1	40.0	27.2	23.9	19.5	29.6
JACKSON	Scen: 3	80.3	63.9	36.9	25.2	22.3	18.4	27.7
MANDATE	Scen: 1	80.4	67.6	26.3	19.8	17.5	14.2	22.5

APPENDIX B: Numbers and Proportional Distributions of Jobs at-Risk in Specific Demographic Groups

TABLE B.1: Number and Proportional Distribution of Jobs At Risk in Specific Age Ranges.

		Age (in Years)															
		<= 18		19 - 24		25 - 34		35 - 44		45 - 54		55 - 64		65		All	
		Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct
HOUSE	Scen: 1	23670	5.4	119822	27.4	123387	28.2	81716	18.7	51471	11.8	26978	6.2	9830	2.3	436877	100.0
HOUSE	Scen: 2	19830	9.8	56869	28.1	52201	25.8	36316	17.9	22599	11.2	12065	6.0	2589	1.3	202471	100.0
HOUSE	Scen: 3	19830	9.8	56869	28.1	52201	25.8	36316	17.9	22599	11.2	12065	6.0	2589	1.3	202471	100.0
SENATE	Scen: 1	1880580	12.1	4730268	30.4	3881741	24.9	2224957	14.3	1441127	9.2	989670	6.4	432159	2.8	15580315	100.0
SENATE	Scen: 2	1856717	14.2	4159189	31.7	3009087	23.0	1733923	13.2	1152099	8.8	816528	6.2	377769	2.9	13102313	100.0
SENATE	Scen: 3	1833020	14.7	3978525	31.9	2828985	22.7	1626992	13.0	1078378	8.7	773151	6.2	367393	2.8	12464447	100.0
CALIF	Scen: 1	1649930	17.5	2876593	30.5	2054928	21.8	1236161	13.1	776066	8.2	573096	6.1	253616	2.7	9416169	100.0
CALIF	Scen: 2	1602768	18.7	2607650	30.5	1831258	21.4	1098591	12.8	681751	8.0	512343	6.0	226399	2.6	8560664	100.0
CALIF	Scen: 3	1581517	21.8	2344419	32.3	1427396	19.7	811076	11.2	507437	7.0	406140	5.6	187544	2.6	7263528	100.0
JACKSON	Scen: 1	2039049	9.4	6212350	28.5	6001770	27.5	3461118	15.8	2156465	9.9	1413663	6.5	563156	2.5	21807553	100.0
JACKSON	Scen: 2	2038968	9.5	6162744	28.7	5885884	27.4	3362086	15.7	2108102	9.8	1382983	6.4	536156	2.5	21477924	100.0
JACKSON	Scen: 3	2019056	10.0	5833475	29.0	5433691	27.0	3087121	15.4	1935122	9.6	1281388	6.4	502651	2.5	20092508	100.0
MANDATE	Scen: 1	1998864	12.2	5050606	30.9	3989136	24.4	2312582	14.2	1512168	9.3	1031232	6.3	445955	2.7	16360545	100.0

TABLE B.2: Number and Proportional Distribution of Jobs At-Risk by Gender.

		Gender					
		Male		Female		All	
		Number	Pct	Number	Pct	Number	Pct
HOUSE	Scen: 1	203924	46.7	232952	53.3	436877	100.0
HOUSE	Scen: 2	97429	48.1	105042	51.9	202471	100.0
HOUSE	Scen: 3	97429	48.1	105042	51.9	202471	140.4
SENATE	Scen: 1	6484146	41.6	9096178	58.4	15580324	144.4
SENATE	Scen: 2	5266444	40.2	7835877	59.8	13142121	100.4
SENATE	Scen: 3	4942796	39.7	7521660	64.1	12464455	144.4
CALIF	Scen: 1	3793617	40.3	5622537	59.7	9416155	100.4
CALIF	Scen: 2	3450732	40.3	5109936	50.7	8560669	140.4
CALIF	Scen: 3	2979926	41.0	4283606	59.0	7263532	100.4
JACKSON	Scen: 1	10095715	46.3	11711851	53.7	21807566	100.0
JACKSON	Scen: 2	9996878	46.5	11481058	53.5	21477936	100.4
JACKSON	Scen: 3	9296718	46.3	10795802	53.7	20092520	100.0
MANDATE	Scen: 1	7128441	43.6	9211192	56.4	16340554	100.0

TABLE B.3: Number and Proportional Distribution of Jobs At Risk in Specific Race/Ethnicity Categories.

		Race/Ethnicity									
		White		Black		Hispanic		Other		All	
		Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct
HOUSE	Scen: 1	280139	64.1	77763	17.8	62579	14.3	16395	3.8	436877	100.0
HOUSE	Scen: 2	135976	67.2	31328	15.5	28111	13.9	7055	3.5	202471	100.0
HOUSE	Scen: 3	135976	67.2	31328	15.5	28111	13.9	7055	3.5	202471	100.0
SENATE	Scen: 1	12132613	77.9	1595374	10.2	1447501	9.3	404833	2.6	15580322	100.0
SENATE	Scen: 2	10243522	78.2	1391523	10.6	1173460	9.0	293813	2.2	13102320	100.0
SENATE	Scen: 3	9763687	78.3	1315422	10.6	1101599	8.8	282744	2.3	12464453	100.0
CALIF	Scen: 1	7390867	78.5	1013200	10.8	800635	8.5	211450	2.2	9416154	100.0
CALIF	Scen: 2	6721098	78.5	923977	10.8	721882	8.4	193710	2.3	8560668	100.0
CALIF	Scen: 3	5749954	79.2	772378	10.6	585869	8.1	154328	2.1	7263531	100.0
JACKSON	Scen: 1	16549299	75.9	2380560	10.9	2283174	10.5	594529	2.7	21807561	100.0
JACKSON	Scen: 2	16335591	76.1	2342938	10.9	2225894	10.4	573509	2.7	21477933	100.0
JACKSON	Scen: 3	15399636	76.6	2128172	10.6	2037598	10.1	527109	2.6	20092517	100.0
MANDATE	Scen: 1	12346071	75.6	1918293	11.7	1668298	10.2	407889	2.5	16340552	100.0

TABLE 8.4: Number and Proportional Distribution of Jobs At Risk in Specific Marital Status Categories.

		Marital Status									
		Married		Div	Sep**	Widowed		NeverMarried		All	
		Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct
HOUSE	Scen: 1	213241	48 a	58918	13 5	7658	1 8	157059	36 0	436877	100.0
HOUSE	Scen: 2	83702	41.3	29651	14.6	3531	t.7	85585	42.3	202471	too.0
HOUSE	Scen: 3	83702	41.3	29651	14 6	3531	I.?	85585	42.3	202471	100.0
SENATE	Scen: 1	6630016	42.6	1710364	11 0	346123	2.2	6893810	44.2	15580320	100 0
SENATE	Scen: 2	5275510	40.3	1385118	10 6	311190	2.4	6130499	46 8	13102118	100 0
SENATE	Scen: 3	4942472	19.1	1313302	10 5	302202	2.4	5906476	47 4	12564451	100 0
CAL II	Scen: 1	3677789	39.1	901008	9 b	216955	2.3	4620199	49 1	9416152	100 0
CAL If	Scen: 2	3285688	38.4	795060	9 3	196664	2.3	4283254	50.0	8560667	100 0
CAL If	Scen: 3	2539617	35.0	635650	8.8	158910	2.2	3929352	54.1	7263530	100.0
JACKSON	Scen: 1	10090620	46.3	2466383	11.3	445202	2.0	8805353	40.4	21807560	100.0
JACKSON	Scen: 2	9876551	46.0	2422697	11.3	432865	2.0	8765816	40.7	21677931	100.0
JACKSON	Scen: 3	9082485	45.2	2256852	It.2	408089	2.0	8365088	41.S	20092515	too.0
MANDATE	Scen: 1	6914499	42.3	1779931	Id.9	373353	2.3	7272765	44.5	16340550	100.0

TABLE 8.5: Number and Proportional Distribution of Jobs At Risk in Specific Educational Achievement Categories.

		Highest Educational Level Achieved											
		Grade 1 - 8		Grade 9 - 11		High Schl Cr		Some College		College Grad		All	
		Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct
HOUSE	Scen: 1	34243											
HOUSE	Scen: 2	13472	7.8										
HOUSE	Scen: 3	13472	6.7	[illegible]	20.4	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
SENATE	Scen: 1	509860	3.3	2184276	14.0	1276089	8.2	9945998	63.8	1684096	10.7	15580319	100.0
SENATE	Scen: 2	439681	3.4	1957369	14.9	1189053	9.1	8219606	62.7	1296826	9.9	13102317	100.0
SENATE	Scen: 3	404892	3.2	1885511	15.1	1157965	9.3	7803396	62.6	1211685	9.7	12464450	100.0
CALIF	Scen: 1	307275	3.3	1426624	15.2	996156	10.6	5676265	60.3	1009833	10.7	9416152	100.0
CALIF	Scen: 2	279332	3.3	1323593	15.5	949527	11.1	5087637	59.6	920576	10.8	8560666	100.0
CALIF	Scen: 3	223602	3.1	1230101	16.9	889896	12.1	4231046	58.3	688884	9.5	7263530	100.0
JACKSON	Scen: 1	919054	4.2	3071237	14.1	1643403	7.513771187		63.2	2400675	11.0	21807558	100.0
JACKSON	Scen: 2	897203	4.2	3020496	14.1	1623438	7.618588756		63.3	2348037	10.9	21477929	100.0
JACKSON	Scen: 3	800032	4.0	2826153	14.1	1550607	7.712735648		63.4	2180090	10.9	20092513	100.0
MANDATE	Scen: 1	692599	4.2	2589778	15.8	1417829	8.710076259		61.7	1564082	9.6	16340568	100.0

TABLE B.6: Number and Proportional Distribution of Jobs At Risk in Specific Annual Wage and Salary Ranges.

		Annual Wages and Salaries (in Dollars)													
		0 - <5,000		5<10,000		10-<20,000		20-<30,000		30-<40,000		● =40,000		All	
		Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct
HOUSE	Scen: 1	201741	46.1	235513	53.9	0	0.0	0	0.0	0	0.0	0	0.0	437254	100.0
HOUSE	Scen: 2	201741	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	201741	100.0
HOUSE	Scen: 3	201741	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	201741	100.0
SENATE	Scen: 1	6749856	43.2	5786397	36.6	3154082	20.2	0	0.0	0	0.0	0	0.0	15610336	100.0
SENATE	Scen: 2	6749856	51.4	5580629	42.5	792504	6.0	0	0.0	0	0.0	0	0.0	13122988	100.0
SENATE	Scen: 3	6711147	53.8	5037774	40.4	736055	5.9	0	0.0	0	0.0	0	0.0	12484976	100.0
CALIF	Scen: 1	6881913	72.8	1814607	19.2	750845	7.9	0	0.0	0	0.0	0	0.0	9447166	100.0
CALIF	Scen: 2	6780139	78.9	1151741	13.4	662492	7.7	0	0.0	0	0.0	0	0.0	8594373	100.0
CALIF	Scen: 3	6711147	92.0	581739	8.0	0	0.0	0	0.0	0	0.0	0	0.0	7292886	100.0
JACKSON	Scen: 1	7749229	35.5	7701668	35.3	6395291	29.3	0	0.0	0	0.0	0	0.0	21846189	100.0
JACKSON	Scen: 2	7749229	36.0	7701668	35.8	6063311	28.2	0	0.0	0	0.0	0	0.0	21514211	100.0
JACKSON	Scen: 3	7749229	38.5	6901062	34.3	5471227	27.2	0	0.0	0	0.0	0	0.0	20123518	100.0
MANDATE	Scen: 1	7749229	47.3	7533592	46.0	1097038	6.7	0	0.0	0	0.0	0	0.0	16379859	100.0

TABLE B.7: Number and Proportional Distribution of Jobs At Risk to Specific Total Annual Family Income Ranges.

		Total Annual Family Income (in Dollars)													
		0 - 5,000		5 - 10,000		10 - 20,000		20 - 30,000		30 - 40,000		>40,000		All	
		Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Prt
HOUSE	Scen: 1	44769	10 3	87301	201103466	21	8	78394	18	0	48856	11 2	72471	16.7	435259	100.0
HOUSE	Scen: 2	44291	22.2	26322	13.2	40225	20.2	31519	15.8		18801	9.4	38352	19.2	199493	400.0
HOUSE	Scen: 3	44291	22.2	26122	13.2	40225	20.2	31519	15.8		18801	9.4	38352	19.2	199493	100.0
SENATE	Scen: 1	1116791	7.2	2081073	13.4	3401380	21.11	2682850	It.2	2358895	15.1	3930787	25.2	15571790	loo.0	
SE NATE	Scen: 2	1116553	8.5	2068752	15.7	2551166	19.5	2193879	16 8	1931488	14.8	3237557	24.8	13079608	loo.0	
SENATE	Scen: 3	1103889	8 9	1919708	15 4	2413343	19.4	2080511	16.7	1830774	14.7	3096026	24.9	12447253	100.0	
CAL II	Scen: 1	1137019	12.1	1108186	11.6	1756178	18 6	1561458	16 6	1450643	15.4	2408963	25.6	9422439	100.0	
CAL II	Scen: 2	1114117	11.4	929551	10.8	1576475	18 4	1417269	14.5	1332723	15.5	2201033	25 7	8571150	100.0	
CAL II	Scen: 3	1096372	15.1	795771	10.9	1215697	17 3	1164181	16 0	1103065	15 2	1856115	25 5	7271184	100.0	
JACKSON	Scen: 1	1342209	6.2	2796153	12.8	5174183	21.1	3920082	18.0	3256891	14 9	5301026	24.3	21790552	100.0	
JACKSON	Scen: 2	1342209	6.1	2796088013.0		5083232	23.7	3844895	17.9	3180883	14.8	5208746	24.3	21456046	100.0	
JACKSON	Scen: 3	1340704	6.1	2584551	12.9	4693038	23.4	3563679	It.8	2969053	lb.8	4916051	24.5	20066879	100.0	
MANDATE	Scen: 1	1341956	8.2	2735423	16.6	3346214	20.5	2792556	17.1	2320711	14.2	3779166	23.2	16316012	100.0	

APPENDIX C: Jobs Potentially Affected As A Percentage of Total Private Sector Employment in Specific Demographic Groups

BLE C.1: Jobs Potentially Affected As a Percentage of Total Private Sector Employment in Specific Age Ranges.

		Age (in Years)							
		< 18	19 - 24	25 - 34	35 - 44	45 - 54	55 - 64	65	All
HOUSE	Scen: 1	87.5	to.2	16.0	13.1	13.5	14.6	38.1	21.5
HOUSE	Scen: 2	87.4	60.1	15.8	12.9	13.4	14.3	38.0	21.3
HOUSE	Scen: 3	87.4	60.1	15.8	12.9	13.4	14.3	38.0	21.3
SENATE	Scen: 1	89.3	50.0	27.1	22.8	22.4	22.7	48.2	31.1
SENATE	Scen: 2	89.2	50.0	26.7	22.1	21.9	22.2	47.7	30.7
SENATE	Scen: 3	89.2	49.7	26.1	21.5	21.b	21.8	47.3	30.3
CALIF	Scen: 1	89.1	49.9	25.7	21.2	20.9	21.1	46.9	29.9
CALIF	Scen: 2	89.0	49.5	25.2	23.7	20.4	20.6	46.6	29.5
CALIF	Scen: 3	89.0	49.2	24.6	20.0	19.8	20.1	46.1	28.9
JACKSON	Scen: 1	89.9	52.7	31.5	27.0	26.5	26.9	51.7	35.8
JACKSON	Scen: 2	89.9	52.7	31.4	26.19	26.1	26.8	51.5	34.9
JACKSON	Scen: 3	89.8	52.5	30.7	25.5.	25.8.6	26.1	50.9	34.3
MANDATE	Scen: 1	89.7	52.5	30.4			25.6	50.5	34.0

TABLE C.2: Jobs Potentially Affected As a Percentage of Total Private Sector Employment by Gender

	Gender		
	Male	Female	All
HOUSE Scen: 1	15.3	31.3	21.5
HOUSE Scen: 2	15.1	31.2	21.3
HOUSE Sbscen: 3	15.1	31.2	21.3
SENATE Scen: 1	2c.c	41.6	31.1
SE NATE Scen: 2	21.9	41.6	30.7
SENATE Scen: 3	21.6	41.0	30.3
CALIF Scen: 1	22.9	41.0	29.9
CAlIf Scen: 2	22.3	40.7	29.5
CALIF Scen: I	21.8	40.1	28.9
JACKSON Scen: 1	28.9	44.8	35.0
JACKSON Scen: 2	28.8	44.5	34.9
JACKSON Scen: 3	28.1	44.1	34.3
MANDATE Scen: 1	27.6	44.1	34.0

TABLE C.3: Jobs Potentially Affected As a Percentage of Total Private Sector Employment in Specific Race/Ethnicity Categories.

	Race/Ethnicity				
	White	Black	Hispanic	Other	All
HOUSE Scen: 1	20.1	27.8	28.8	20.6	21.5
HOUSE Scen: 2	20.0	27.7	28.6	20.5	21.1
HOUSE Scen: 3	20.0	27.7	28.6	20.5	21.5
SENATE Scen: 1	29.6	35.8	41.0	33.1	31.1
SENATE scm: 2	29.2	35.7	40.6	32.4	30.7
SENATE Scen: 3	2a.r	35.3	40.1	32.2	30.5
CALIf scm: 1	28.5	35.8	40.0	30 a	29.9
CALIf Scen: 2	27.8	35.2	39.6	SO.3	29.1
CALIf Scen: 3	27.3	34.7	39.2	10.1	28.9
JACKSON Scen: 1	33.3	40.3	46.3	37.8	35.0
JACKSON Scen: 2	33.2	40.2	46.3	37.7	1b.9
JACKSON scm: 3	32.6	39.6	45.6	36.9	34.3
MANDATE Scen: 1	32.2	40.0	45.6	36.8	34.0

TABLE C.4: Jobs Potentially Affected As a Percentage of Total Private Sector Employment In Specific Marital Status Categories.

	Marital Status				
	Married	Div . Sep**	Widowed	Nevr Married	All
HOUSE Scen: 1	14 9	19 1	29 6	37 1	21.5
HOUSE Scen: 2	16.1	19.4	29. 3	37.0	21.3
HOUSE scm: 3	14.7	19.0	29. 5	37.0	21.3
SENATE Scen: 1	25.0	27 9	37.6 66	2	31 1
SENATE Sc en: 2	24.4	27 7	35.8 66	0	30.7
SENATE Scen: 3	21.9	27 3	36.6 65	8	30.3
CALIf Scen: 1	23.6	27 5	35 7 65	7	29 9
CAl If Scen: 2	22 8	21.2	35.4 65	2	29 5
CALIf Scen: 3	22.2	26.7	34.9	rr.9	21.9
JACKSON Scen: I	29.5	31.2	41.4	49.0	35.0
JACKSON Scm: 2	29.4	31.2	41.4	49.0	34.9
JACKSON Scen: 3	28.6	3J.b	40.9	48.6	34.3
MANDATE Scen: 1	21.2	30.5	40.3	48.6	34.0

TABLE C.5: Jots Potentially Affected As a Percentage of Total Private Sector Employment in Specific Educational Achievement Categories.

		Highest Educational Level Achieved					
		Grade 1 - 8	Grade 9 - 11	High Schl Gr	Some College	College Grad	All
HOUSE	Scen: 1	32.9	35.0	41.6	21.2	9.9	21.5
HOUSE	Scen: 2	32.7	34.9	41.4	21.1	9.7	21.3
HOUSE	Scen: 3	32.7	34.9	41.4	21.1	9.7	21.3
SENATE	Scen: 1	cc.2	b2.b	48.8	31.5	18.8	31.1
SENATE	Scen: 2	44.2	42.4	48.6	31.1	18.1	30.7
SENATE	Scen: 3	43.6	42.2	48.4	33.7	17.5	30.3
CALIF	Scen: 1	43.6	41 v	48.2	30.3	17.2	29 9
CALIF	Scen: 2	43.3	41	47.9	29.8	16.8	29.5
CALIFORNIA	Scen: 3	42.9	41.1	47.7	29.3	IS.9	28.9
JACKSON	Scen: 1	so.0	48.0	52.0	35.3	22.2	35.0
JACKSON	Scm: 2	49.9	48.0	52.0	35.2	22.0	34.9
JACKSON	Lcm: 3	49.1	47.6	51.5	34.6	21.3	34.3
MANDATE	Scen: 1	49.3	47.3	11.2	34.4 24.2		34.0

TABLE C.6: Jobs Potentially Affected As a Percentage of Total Private Sector Employment in Specific Annual Wage and Salary Ranges.

		Annual Urger and Salaries (in Dollars)						
		0 - 4,000	5 - ~10,000	IO - ~20.000	20 - <30,000	30 - <40,000	>=40,000	All
HOUSE	Scen: 1	81 2	63 7	1 2	0 7	0.0	0.0	21.6
HOUSE	Scen: 2	JJJ.2	63 7	1.2	0 0	0.0	0.0	21.6
HOUSE	Scen: 3	IJ.2	63 7	1.2	0 0	0.0	0.0	21.6
SENATE	Scen: 1	81 2	63 7	24.9	10 3	4 3	0 0	31.2
SENATE	Scen: 2	BJ.2	63 7	24.9	10 1	1 0	0 0	30.8
SENATE	Scen: 3	81.2	63 7	24.b	8 1	1 0	0 0	30.4
CALIF	Scen: 1	81.2	61 7	26.1	4 1	1 5	0 0	30.1
CALIF	Scen: 2	81.2	63 7	25.2	3 1	1 3	0 0	29.6
CALIF	Scen: 3	81.2	63 7	24.6	1.9	0.0	0.0	29.0
JACKSON	Scen: 1	II.2	63.7	31.0	II.2	11.0	0.0	35.2
JACKSON	Scen: 2	81.2	63.7	31.0	II.2	10.2	0.0	35.1
JACKSON	Scen: 3	11.2	61.7	31.0	16.7	9.0	0.0	36.5
MANDATE	Scen: 1	81.2	63.7	31.0	16.6	2.6	0.0	36.1

LE C.7: Jobs Potentially Affected As a Percentage of Total Private Sector Employment in Specific Total Annual Family Income Ranges.

	Total Annual Family Income (in Dollars)						
	0 - 4,000	5 - 10,000	10,000-<20,000	20-<30,000	30- t0.000	>=40,000	All
HOUSE Scen: 1	80.4	69.2	24.4	18.9	16.8	13.7	21.8
HOUSE Scen: 2	80.4	69.2	24.4	18.8	16.6	13.6	21.7
HOUSE Scm: 3	80.4	69.2	24.4	18.8	16.8	13.6	21.7
SENATE Scen: 1	10.b	69.3	38.9	30.0	26.8	22.7	31.6
SENATE Scen: 2	10.b	69.3	38.9	29.9	21.9	22.0	31.2
SENATE Scen: 3	80.4	69.3	38.7	29.2	25.5	21.4	30.8
CALIF Scen: 1	80.4	69.3	39.6	28.2	24.8	21.0	30.4
CALIF Scen: 2	80.4	69.3	39.0	27.6	24.3	20.5	29.9
CALIF Scen: 3	DO.4	69.3	38.6	27.0	23.7	19.7	29.4
JACKSON Scen: 1	80.4	69.3	42.8	34.8	31.7	26.1	35.6
JACKSON Scen: 2	80.4	69.3	42.8	34.8	31.5	26.6	35.6
JACKSON Scm: 3	80.4	69.3	42.8	33.9	30.7	25.7	34.9
MANDATE Scen: 1	80.4	69.3	42.8	34.6	29.7	25.0	34.6

APPENDIX D: Numbers and Proportional Distributions of Jobs Potentially Affected in Specific Demographic Groups

TABLE D.1: Number and Proportional Distribution of Jobs Potentially Affected in Specific Age Ranges.

		Age (in Years)															
		<= 18		19 - 24		25 - 34		35 - 44		45 - 54		55 - 64		65		All	
		Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct
HOUSE	Scen: 1	2002119	12.6	4989236	31.5	3788001	23.9	2208150	13.9	1439797	9.1	976077	6.1	444249	2.8	15845632	100.0
HOUSE	Scen: 2	2001359	12.1	4979990	31.6	3750890	23.8	2176258	13.8	1420911	9.0	965038	6.1	442832	2.8	15737281	100.0
HOUSE	Scen: 3	2001359	12.7	4979990	31.6	3750890	2s.e	2176258	13.8	1420911	9.0	965038	6.1	442832	2.8	15737281	100.0
SENATE	Scen: 1	2045002	8.9	6210608	21.1	6412142	27.9	3807168	11.6	2378643	10.6	1530608	6.7	562223	2.5	22946776	100.0
SENATE	Scen: 2	2042868	9.0	6203317	21.4	6318361	2t.9	3707033	16.6	2332918	10.3	1496572	6.6	556076	2.5	22657126	100.0
SENATE	Scen: 3	2042014	9.1	6174015	21.1	6192765	21.t	3610631	1b.2	2279212	10.2	1470371	6.6	551273	2.5	88328166	100.0
CALIF	Scen: 1	2040629	0.2	6190759	26.0	6098638	21.6	3556503	11.1	2222560	10.1	1423238	6.4	547201	2.5	22079311	100.0
CALIF	Scen: 2	2038277	9.4	6141660	28.3	5965693	27.5	3482610	16.0	2167135	10.0	1389407	6.4	543577	2.5	21728362	100.0
CALIF	Scen: 3	2017591	9.6	6101231	28.6	5820857	21.3	3364958	15.8	2103123	9.9	1354995	6.4	537127	2.5	21321389	100.0
JACKSON	Scen: 1	2057415	8.0	6537475	25.3	7455322	21.9	4539358	17.6	2815675	10.9	1810511	7.0	603448	2.3	25827006	100.0
JACKSON	Scen: 2	2057415	8.0	6540266	21.4	7430841	28.8	4521640	17.5	2809041	10.9	1810384	7.0	601038	2.3	25770646	100.0
JACKSON	Scen: 3	2055365	8.1	6512157	21.1	1211664	28.7	4381416	17.3	2725606	10.8	1784717	7.0	593672	2.3	25306580	100.0
MANDATE	Scm: 1	2054172	1.2	6520688	2b.0	7198370	211.t	4290867	11.1	2698888	10.8	1730133	6.9	584932	2.3	25081253	100.0

TABLE D.2: Number and Proportional Distribution of Jobs Potentially Affected by Gender.

		Gender					
		Male		Female		All	
		Number	Pct	Number	Pct	Number	Pct
HOUSE	Scen: 1	6887227	43.5	8958413	56.5	15845641	100.0
HOUSE	Scen: 2	6803602	43.2	8933687	56.8	15737290	100.0
HOUSE	Scen: 3	6803602	43.2	8933687	56.8	15737290	100.0
SENATE	Scen: 1	11033457	48.1	11913327	51.9	22946784	100.0
SENATE	Scen: 2	10799183	47.7	11857957	52.3	22657140	100.0
SENATE	Scen: 3	10574593	47.4	11745564	52.6	22320158	100.0
CALIF	Scen: 1	10351506	46.8	11747817	53.2	22079324	100.0
CALIF	Scen: 2	10079544	46.4	11648810	53.6	21728355	100.0
CALIF	Scen: 1	9837070	46.1	11484331	53.9	21321401	100.0
JACKSON	Scen: 1	13062650	50.8	12764372	49.6	25827021	100.0
JACKSON	Scen: 2	13019167	50.5	12751516	49.5	25770682	100.0
JACKSON	Scen: 3	12675643	50.1	12630953	49.9	25306597	100.0
MANDATE	Scen: 1	12441795	49.6	12639473	50.4	25081268	100.0

TABLE D.3: Number and Proportional Distribution of Jobs Potentially Affected in Specific Race/Ethnicity Categories.

		Race/Ethnicity									
		White		Black		Hispanic		Other		All	
		Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct
HOUSE	Scen: 1	12019797	Z5.9	1839449	11.4	1602421	10.1	383970	2.4	15845639	100.0
HOUSE	Scen: 2	11939917	75.9	1828336	II .6	1589871	10. I	379162	2.4	15737288	100.0
HOUSE	Scen: 3	11939917	75.9	1828336	II.6	1589871	10.1	379162	2.4	15737288	100.0
SENATE	Scen: 1	17680519	77.1	2368609	10.3	2279397	9.9	618255	2.7	22966782	100.0
SENATE	Scen: 2	17436828	77.0	2361744	10.4	2253845	9.9	604720	2.t	22657138	100.0
SENATE	Scen: 3	17154279	tb.9	2334496	10.5	2227987	10.0	601191	2.t	22320155	100.0
CALIF	Scen: 1	14916626	76.6	2366497	10.1	2221764	10.1	574232	2.6	22079121	100.0
CALIf	Scen: 2	16633676	76.6	2328553	10.7	2201137	10.1	564985	2.b	21728352	100.0
CALIF	Scen: 3	16283440	t6.4	2295885	10.8	2181063	10.2	561009	2.4	21321398	100.0
JACKSON	Scen: 1	19883856	77.0	2665088	10.3	2573464	10.0	704609	2.7	25827019	100.0
JACKSON	Scen: 2	19835839	77.0	2660557	10.3	2571680	10.0	702580	2.7	25770659	100.0
JACKSON	Scen: 3	19464789	76.9	2621233	/0.4	2532667	10.0	687902	2.7	25306593	100.0
MANDATE	Scen: 1	19226342	76.6	2646876	10.6	2522903	10.1	687342	2.7	25081265	100.0

TABLE D.4: Number and Proportional Distribution of Jobs Potentially Affected in Specific Marital Status Categories.

		Marital Status									
		Married		Div · Sep**		Widowed		NevrMarried		All	
		Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct
HOUSE	Scen: 1	6515691	41.6	1723559	10 9	360626	2.1	71757S4	45 3	15845637	100.0
HOUSE	Scen: 2	6505229	41.3	1711374	10.9	358995	2.1	7161687	4S.S	15737286	100.0
HOUSE	Scen: 3	6105229	41.3	1711374	10.9	358995	2.3	7161687	4s.s	15737286	100.0
SENATE	Scen: 1	11029268	4b.1	2511163	11.0	458908	2.0	8961478	39 0	22966779	100 0
SENATE	Scen: 2	10801823	47.7	2497559	11.0	451776	2.0	8905975	19 3	22657135	100 0
SENATE	Scat: 3	10557937	47.3	2463096	11 0	446376	2.0	8852742	39 7	22320152	100 0
CALIF	Scen: 1	10330828	46.8	2477596	11.2	438193	2.0	8832700	40 0	22079118	100 0
CALIF	Scen: 2	10097017	46.5	2468053	11.3	434266	2.0	8748992	40.3	21721150	100 0
CALIF	tctn: 3	9805360	46.0	2405760	11.3	428167	2.0	8682106	40.7	21321396	100.0
JACKSON	Scen: 1	13035800	50.5	2805885	10.9	so7422	2.0	9477708	Sb.2	25827016	100.0
JACKSON	Scen: 2	12985966	SO.4	2806028	10.9	507199	2.0	9471461	36.8	25770655	100.0
JACKSON	Scen: 3	12638344	49.9	2759313	10.9	so0929	2.0	9608001	37.2	25306590	100.0
MANDATE	Scen: 1	12446352	49.6	2749657	11.0	493665	2.0	9393576	3t.i	25081262	loo.0

TABLE D.5: Number and Proportional Distribution of Jobs Potentially Affected in Specific Educational Achievement Categories.

		Highest Educational Level Achieved											
		Grade 1 - 8		Grade 9 - 11		High Schl Gr		Some College		College trod		All	
		Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct
HOUSE	Scen: 1	673768	4.3	2502756	15.8	1405032	8.9	9774729	61.7	1489349	9.4	15845635	100.0
HOUSE	Scen: 2	669816	4.3	2490663	15.8	1399619	8.9	9708628	61.7	1468758	9.3	15737285	100.0
HOUSE	Scen: 3	669816	4.3	2490663	15.8	1399619	8.9	9708628	61.7	1468758	9.3	15737285	100.0
SENATE	Scen: 1	904803	3.9	3046739	13.3	1648828	7.2	16502071	61.2	2844536	12.4	22946777	100.0
SENATE	Scen: 2	904507	4.0	3012621	13.4	1643697	7.3	16339396	61.5	2736908	12.1	22657133	100.0
SENATE	Scen: 3	892065	4.0	3012666	13.5	1635291	7.3	16151719	61.5	2648450	11.9	22320150	100.0
CALIF	Scen: 1	891888	4.0	2996066	11.4	1628660	7.4	13981917	61.2	2600964	11.8	22079116	100.0
CALIF	Scen: 2	884633	4.1	2960582	13.6	1620115	7.5	13727296	61.2	2533721	11.7	21128148	100.0
CALIF	Scen: 3	878237	4.1	2935538	13.8	1611758	7.6	13498529	61.3	2397338	11.2	21321396	100.0
JACKSON	Sc M: 1	1023648	4.0	3427502	13.3	1737010	6.8	16267157	63.8	3351694	11.1	25827016	100.0
JACKSON	Scen: 2	1021009	4.0	3426453	13.3	1737165	6.8	16236072	61.0	3331952	12.9	25770653	100.0
JACKSON	Scen: 3	1004179	4.0	3387271	13.4	1740357	6.9	15954255	63.0	3210523	12.7	25306588	100.0
MANDATE	Scen: 1	1008580	4.0	3379960	13.3	1729578	6.9	15841256	63.2	1121904	12.4	25081260	100.0

TABLE D.6: Number and Proportional Distribution of Jobs Potentially Affected in Specific Annual Wage and Salary Categories.

	Annual Wages and Salaries (in Dollars)															
	0 - <5,000		5 - 10,000		10 - 20,000		24 - <30,000		30 - <40,000		>=40,000		All			
	Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct
HOUSE Scen: 1	7769229	48.8	7760366	48.8	276726	1.7	104377	0.7	0	0.0	0	0.0	0	0.0	15868677	100.0
HOUSE Scen: 2	7769229	49.2	7760366	49.1	276726	1.7	0	0.0	0	0.0	0	0.0	0	0.0	15764300	100.0
HOUSE Scen: 3	7769229	49.2	7760366	49.1	276726	1.7	0	0.0	0	0.0	0	0.0	0	0.0	15764300	100.0
SENATE Scen: 1	7769229	33.8	7760366	33.7	5669533	24.1	1463581	6.4	337256	1.5	0	0.0	0	0.0	22959965	100.0
SENATE Scen: 2	7769229	34.2	7760366	34.1	5669533	25.0	1436379	6.3	82128	0.4	0	0.0	0	0.0	22677615	100.0
SENATE Scen: 3	7769229	34.8	7760366	34.8	5593981	25.0	1379671	5.3	76162	0.3	0	0.0	0	0.0	22319391	100.0
CALIF Scen: 1	1149229	35.1	7760366	35.0	5925989	26.8	578291	2.6	116508	0.5	0	0.0	0	0.0	22108362	100.0
CALIF Scen: 2	1149229	35.8	7760366	35.6	5727781	26.3	638065	2.0	100586	0.5	0	0.0	0	0.0	21756007	100.0
CALIF Scen: 3	7769229	36.f	7760366	36.3	5591981	26.2	265353	1.2	0	0.0	0	0.0	0	0.0	21348910	100.0
JACKSON Scen: 1	7769229	30.0	7760366	29.9	7055320	27.3	2439382	9.6	865696	3.3	0	0.0	0	0.0	25849971	100.0
JACKSON Scen: 2	7769229	30.0	7760366	30.0	7055320	27.4	2439382	9.5	809210	3.1	0	0.0	0	0.0	25793487	100.0
JACKSON Scen: 3	7769229	30.6	7760366	30.5	7055320	27.8	2084988	8.2	707130	2.8	0	0.0	0	0.0	25337012	100.0
MANDATE Scen: 1	7769229	30.V	7760366	30.8	7055320	28.1	2356937	9.4	207711	0.8	0	0.0	0	0.0	25109563	100.0

)BLE D.?: Number and Proportional Distribution of)s Potentially Affected in Specific Total Annual Family Income Categories.

		Total Annual Family Income (in Dollars)											
		0 - <5,000		5 - ● ID,DOD 10 - ● 20.000 20 -<30,00030- 40,000				>=40,000		All			
		Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct
HOUSE	Scen: 1	1342184	8.5	2797838	17.7	3100741	19.6	2673034	16.9	2227768	14.1	3663267	23.2	15804834	100.0
HOUSE	Scen: 2	1342184	8.5	2797838	17.8	3100741	19.8	2654838	16.8	2203621	14.0	3619601	23.1	15698826	100.0
HOUSE	Scen: 3	1342184	8.5	2797838	17.8	3100741	19.8	2654838	14.8	2201421	14.0	3619601	23.1	15698826	100.0
SENATE	Scm: 1	1343151	5.9	2802836	12.2	4945861	21.6	4244536	18.5	3541971	IS.5	6046530	24.4	22922704	100.0
SENATE	Scm: 2	1343151	5.9	2802836	12.4	4965579	21.8	4231515	18.2	3444101	IS.2	5869875	25.9	22637057	100.0
SENATE	Scen: 3	1343151	4.0	2802836	12.6	4916385	21.1	4127891	18.5	3388864	IS.2	5717246	25.6	22296371	100.0
CALIF	Scen: 1	1343123	6.1	2803099	12.7	5017572	22.1	3985969	18.1	3300072	Is.o	3389271	2s.1	22059108	100.0
CALIF	Scen: 2	1343123	6.2	2802869	12.0	4961879	22.9	3897181	18.0	3236050	14.9	5466479	25.2	21705585	100.0
CALIf	Scen: 3	1342687	6.3	2802836	IS.2	4910837	2S.1	3821141	17.9	3155670	14.8	$262947	26.7	21294111	100.0
JACKSON	Scen: 1	1343151	S.2	2803943	16.9	5433527	21.0	4916787	19.0	4208782	14.S	7128632	22.4	25832825	100.0
JACKSON	Scm: 2	1343151	5.2	2803943	10.9	5433527	21.1	4916787	19.1	4191574	11.3	7088498	27.5	25775482	100.0
JACKSON	Scm: 3	1343151	5.3	2803943	11.1	5433696	21.S	4796973	18.9	4074767	14.1	6862385	27.1	25312716	100.0
MANDATE	scm: 1	1343151	5.4	2803943	11.2	5433502	21.t	4883084	19.5	3917810	IS.t	6648683	24.1	25088177	100.0